UNITED NATIONS

DP

Governing Council of the United Nations Development Programme

Distr.
GENERAL

DP/1991/49 (Vol. I)
9 April 1991

ORIGINAL: ENGLISH

Thirty-eighth session
3-21 June 1991, New York
Item 10 of the provisional agenda

|POLICY|

FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS

BUDGET ESTIMATES FOR THE BIENNIUM 1992-1993

Revised budget estimates for 1990-1991 and budget estimates for 1992-1993

Report of the Administrator

Volume I

SUMMARY

The Administrator is herewith presenting his revised estimates for 1990-1991 and his budget estimates for the 1992-1993 biennium.

The revised estimates for 1990-1991 amount to $441.5 million (gross) and $410.5 million (net) for UNDP core activities. The 1.6 per cent increase in gross estimates is attributable to cost adjustments amounting to $5.6 million, a currency release of $2.4 million, and an inflation adjustment of $4.0 million.

The revised estimates for 1990-1991 amount to $66.8 million for UNDP programme support and development activities. The revised estimates include a volume increase of $0.6 million relating to OPS budgetary activities, a volume increase of $0.9 million relating to UNV, and total cost adjustments amounting to $3.5 million.

The budget estimates for 1992-1993 for UNDP core activities amount to $482.0 million (gross) and $450.0 million (net). This includes a volume decrease of $11.8 million, a transfer of $14.5 million from the core budget to programme support and development activities, and overall cost increases of $66.8 million. The volume decrease includes the reduction of 96 core headquarters posts. The impact of these elements on the core budget is an increase of $40.5 million or 9.2 per cent.

91-11462 0345-46B (E)

/...

READEX FICHE

The budget estimates for 1992-1993 for UNDP programme support and development activities amount to $100.4 million. Volume increases amount to $22.9 million, including $14.5 million transferred from the core budget and $6.4 million net transferred from other sources of funding amd $1.9 million relating to OPS and UNV. Total cost adjustments are $10.6 million.

The budget estimates for 1992-1993 for the trust funds (UNSO, UNCDF, UNFSTD/UNRFNRE, UNIFEM) amount to $28.9 million. The $2.5 million increase is attributable to a volume decrease of $1.0 million and cost increases of $3.5 million.

CONTENTS

	Paragraphs	Page
Volume I		
List of abbreviations		10
United Nations Development Programme organizational chart: 1992-1993 biennial budget		15
I. OVERVIEW	1 - 22	16
A. Financial summary	1 - 8	16
B. Budget strategy	9 - 21	18
Graph I.1. UNDP budget and programme growth, 1984-1993		19
Graph I.2. UNDP: volume decrease and impact of proposed programme support and development activities on the core budget, 1988-1993		22
Table I.1. Use of UNDP resources, 1990-1993		23
Graph I.3. Office for Project Services: delivery and professional staff, 1984-1993		25
Graph I.4. United Nations Volunteers: volunteers and professional staff, 1984-1993		26
C. Composition of UNDP budgets, 1992-1993	22	27
II. METHODOLOGY	23 - 35	32
A. Volume adjustments	25 - 26	32
B. Various cost adjustments	27 - 28	32
C. Currency adjustment	29 - 30	33
D. Inflation adjustment	31 - 35	33
III. PRESENTATION	36 - 71	34
A. Appropriation structure	38 - 42	34
Table III.1. UNDP appropriation structure, 1990-1991		36

/...

CONTENTS (continued)

	Paragraphs	Page
B. Delineation of project, programme support and administrative expenditures	43 - 60	38
C. Delineation of IPF-related and other field office activities	61 - 64	42
Table III.2. UNDP field office workload: percentage breakdown of staff time, 1990		44
D. Technical support budgets of the trust funds	65 - 71	45
Table III.3. UNDP trust funds: technical support budgets, 1990-1993		47
IV. UNDP REVISED BIENNIAL BUDGET ESTIMATES FOR 1990-1991	72 - 89	49
A. Financial summary	72 - 75	49
Table IV.1. UNDP: proposed increase/decrease in 1990-1991 gross biennial budget estimates indicating amounts attributable to volume and category of cost		50
Table IV.2. UNDP: revised 1990-1991 biennial budget for administrative services, programme support and development activities and trust funds		52
B. Office for Project Services	76 - 80	54
Graph IV.1. Office for Project Services: total project delivery by source of financing, 1985-1990		55
C. United Nations Volunteers programme	81 - 82	56
Table IV.3. Development of United Nations Volunteers budget, 1988-1993		57
D. Cost adjustments	83 - 89	59
V. BIENNIAL BUDGET ESTIMATES FOR 1992-1993: CORE BUDGET	90 - 142	60
A. Financial summary	90 - 97	60

CONTENTS (continued)

	Paragraphs	Page
Table V.1. UNDP: summary of proposed increase/decrease in 1992-1993 gross biennial budget estimates indicating amounts attributable to volume and category of cost		61
Table V.2. UNDP: 1992-1993 biennial budget for administrative services, programme support and development activities and trust funds		65
B. Headquarters	98 - 142	67
1. Staffing	98 - 117	67
Table V.3. UNDP core budget: proposed staff reductions and reclassifications, 1992-1993		68
Table V.4. Bureau for Programme Policy and Evaluation: proposed core post changes		71
2. Computer strategy	118 - 126	74
C. Field	127 - 135	77
Table V.5. Net result of proposed changes in UNDP field office staffing, 1990-1993		78
D. Cost and volume adjustments	136 - 142	80
VI. UNDP BIENNIAL BUDGET ESTIMATES FOR 1992-1993: PROGRAMME SUPPORT AND DEVELOPMENT ACTIVITIES AND THE TRUST FUNDS	143 - 166	82
A. Programme development activities	143 - 151	82
Table VI.1. UNDP programme development activities: estimated financial implications		83
Table VI.2. UNDP: eventual net flow of resources		85
Table VI.3. UNDP development activities		86
Table VI.4. UNDP development activity Professional posts by source of funding, 1990-1991 (existing) and 1992-1993 (proposed)		90

CONTENTS (continued)

		Paragraphs	Page
	Table VI.5. UNDP development activity posts by grade, 1990-1991 (existing) and 1992-1993 (proposed)		91
B.	Office for Project Services	152 - 153	93
C.	United Nations Volunteers	154 - 156	93
D.	Inter-Agency Procurement Services Office	157 - 158	94
E.	Headquarters support to national execution	159 - 163	95
F.	Trust funds	164 - 166	96
VII.	REPORT ON DEVELOPMENT SUPPORT SERVICES	167 - 174	97
	Table VII.1. Development support services: status of utilization as at 31 December 1990 (by region)		98
	Table VII.2. Development support services: status of utilization as at 31 December 1990 (by area of substantive input)		100
VIII.	REPORT ON EXTRABUDGETARY POLICY IN FIELD OFFICES	175 - 193	101
	Table VIII.1. Summary of UNDP field office extrabudgetary funding mechanisms		102
IX.	SUMMARY TABLES		109
	Table 1(a). Revised UNDP 1990-1991 biennial budget showing estimated extrabudgetary income from external sources		110
	Table 1(b). Proposed UNDP 1992-1993 biennial budget showing estimated extrabudgetary income from external sources		111
	Table 2. Revised 1990-1991 and proposed 1992-1993 UNDP biennial budget estimates by appropriation line		112
	Table 3. Estimated distribution of UNDP gross biennial budget estimates by programme and organizational unit		113

CONTENTS (continued)

		Page
Table 4(a).	Estimated distribution of revised UNDP 1990-1991 gross biennial budget estimates by source of funds, appropriation line and major category of expenditure	116
Table 4(b).	Estimated distribution of proposed UNDP 1992-1993 gross biennial budget estimates by source of funds, appropriation line and major category of expenditure	117
Table 5.	Estimated distribution, by object of expenditure category, of UNDP gross biennial budget estimates for core activities, 1990-1993	118
Table 6(a).	Estimated distribution of UNDP revised 1990-1991 gross biennial budget estimates for electronic data processing and related expenditures	120
Table 6(b).	Estimated distribution of proposed UNDP 1992-1993 gross biennial budget estimates for electronic data processing and related expenditure	121
Table 7.	UNDP 1992-1993 estimates for activities financed from extrabudgetary sources, by source of funds and organizational unit	122
Table 8.	UNDP 1992-1993 estimates for activities financed from extrabudgetary sources, by major category of expenditure, 1990-1993	124
Table 9.	Proposed UNDP 1992-1993 biennial budget staffing requirements	125
Table 10.	UNDP 1992-1993 estimates of staffing requirements, by source of extrabudgetary financing	130

CONTENTS (continued)

IX. DETAILS OF THE REVISED BUDGET ESTIMATES FOR 1990-1991 AND THE PROPOSED BUDGET ESTIMATES FOR 1992-1993 BY ORGANIZATIONAL UNIT

A. Core budget

Table 3-IA.1a Office of the Administrator

Table 3-IA.1b Division of Personnel

Table 3-IA.1c Planning and Coordination Office

Table 3-IA.1d Division for Global and Interregional Programmes

Table 3-IA.1e Division for Audit and Management Review

Table 3-IA.1f Division of External Relations and Governing Council secretariat

Table 3-IA.2 Bureau for Programme Policy and Evaluation

Table 3-IA.3a Bureau for Finance and Administration, Office of the Assistant Administrator

Table 3-IA.3b Division of Finance

Table 3-IA.3c Division for Administrative and Management Services

Table 3-IA.3d Division of Management Information Services

Table 3-IA.4a Bureau for Resources and Special Activities, Office of the Assistant Administrator

Table 3-IA.4b Division of Information

Table 3-IA.4c Resources Mobilization Unit

Table 3-IA.4d UNDP Office at Geneva

Table 3-IA.5 Regional Bureau for Africa

Table 3-IA.6 Regional Bureau for Arab States and Europe

Table 3-IA.7 Regional Bureau for Asia and the Pacific

Table 3-IA.8 Regional Bureau for Latin America and the Caribbean

CONTENTS (continued)

Table 3-IB Field offices: all regions

Table 3-IB.1 Field offices: Africa

Table 3-IB.2 Field offices: Arab States and Europe

Table 3-IB.3 Field offices: Asia and the Pacific

Table 3-IB.4 Field offices: Latin America and the Caribbean

Table 3-IB.5 Field office support non-specific to country

B. Programme support and development budget

Table 3-IIA.1 PSDA/Bureau for Programme Policy and Evaluation

Table 3-IIA.3 PSDA/Special Unit for Technical Cooperation among Developing Countries/INRES

Table 3-IIA.4 Economists

Table 3-IIB.2a Office for Project Services (Budgetary resources)

Table 3-IIB.2b Office for Project Services (Extrabudgetary resources)

Table 3-IIB.3 Inter-Agency Procurement Services Office

Table 3-IIB.4 United Nations Volunteers programme

Table 3-IIB.5 Headquarters support to national execution

C. Trust funds

Table 3-III.A.1 United Nations Capital Development Fund

Table 3-III.A.2 United Nations Revolving Fund for Natural Resources Exploration/United Nations Fund for Science and Technology for Development and the Energy Account

Table 3-III.A.3 United Nations Sudano-Sahelian Office

Table 3-III.B United Nations Development Fund for Women

List of abbreviations

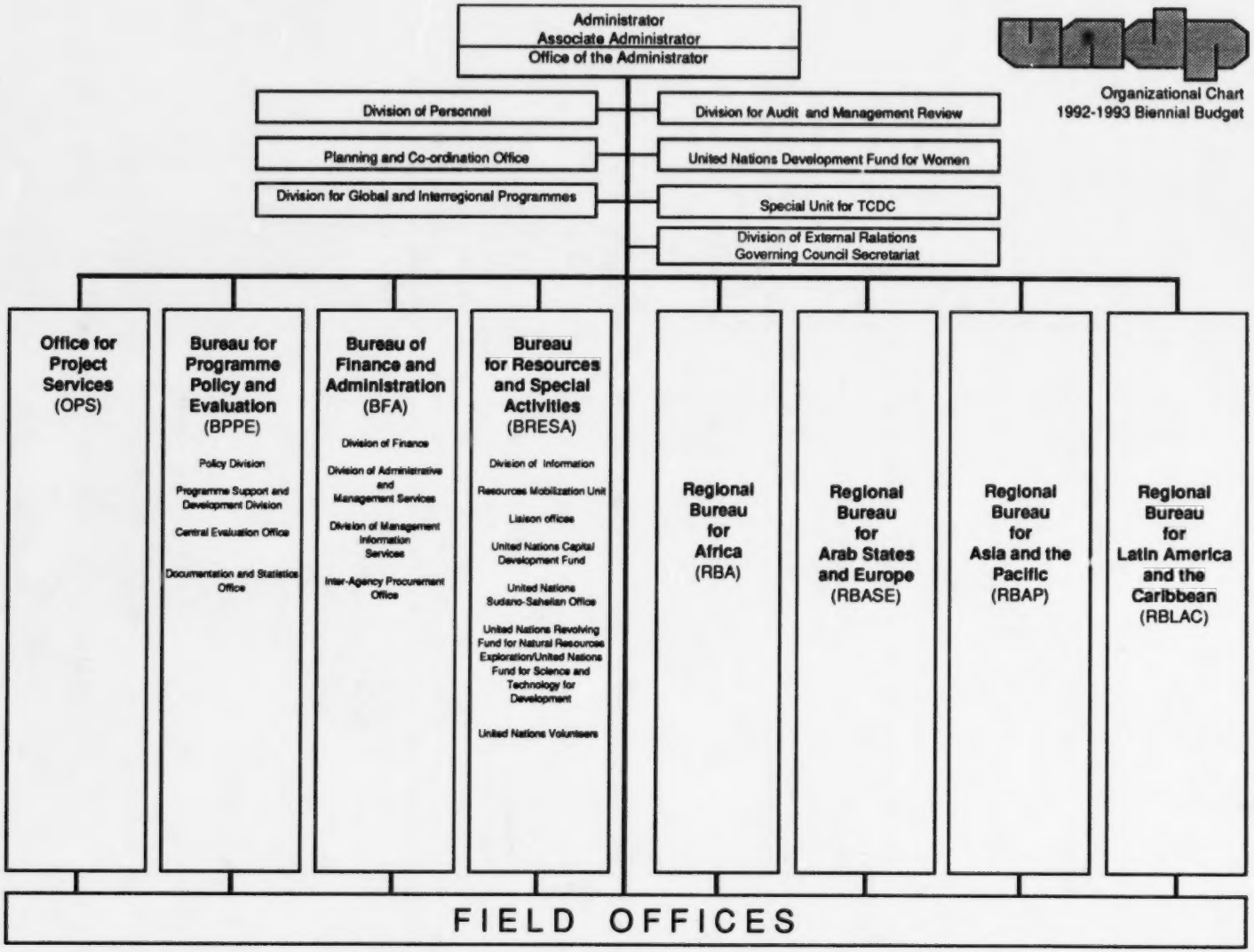
A	Administrator
AA	Assistant Administrator
ACC	Administrative Committee on Coordination
AIDS	acquired immunodeficiency syndrome
AsA	Associate Administrator
ACABQ	Advisory Committee on Administrative and Budgetary Questions
ADM	Administration
AFOAS	automated field office accounting systems
AO	Administrative officer
ARA	Assistant Resident Representative - Administration
ARP	Assistant Resident Representative - Programme
BPPE	Bureau for Programme Policy and Evaluation
BFA	Bureau for Finance and Administration
BRESA	Bureau for Resources and Special Activities
CCSQ (OPS)	Consultative Committee on Substantive Questions (Operational Activities)
CCSQ (PROG)	Consultative Committee on Substantive Questions (Programme Matters)
CEO	Central Evaluation Office
CGIAR	Consultative Group on International Agricultural Research
CS	cost-sharing
CSA	common services account (field office)
DAC	Development Assistance Committee (OECD)
DAMR	Division for Audit and Management Review
DAMS	Division for Administrative and Management Services

DER	Division of External Relations
DGIP	Division for Global and Interregional Programmes
DMIS	Division of Management Information Services
DOF	Division of Finance
DOI	Division of Information
DOP	Division of Personnel
DPSD	Division for Private Sector in Development
DRR	Deputy Resident Representative
DSS	development support services (field office)
DTCD	Department of Technical Cooperation for Development of the United Nations Secretariat
ECU	Emergency Coordination Unit
EDP	Electronic data processing
FSL	Field service level
FSRP	Financial System Review Project
GS	General Service staff
GCCC	Government cash counterpart contribution
GLOC	government local office cost contributions
IAS	Integrated Administrative Systems
IAPSO	Inter-Agency Procurement Services Office
ICC	International Computer Centre
ICSC	International Civil Service Commission
IDO	Investment Development Office
IDWSSD	International Drinking Water Supply and Sanitation Decade
IFAD	International Fund for Agricultural Development
IGADD	Intergovernmental Authority for Drought and Development

IGO	International governmental organization
IMF	International Monetary Fund
IMIS	Integrated Management Information Systems
IMPACT	International Initiative against Avoidable Disablement
INRES	Information Referral System
IOA	international office assistant (FSL)
IPF	indicative planning figure
JIU	Joint Inspection Unit
JPO	Junior Professional Officer
LAN	Local area network
LDC	least developed country
LGS	local General Service staff
LNO	Local National Officer
M	manual worker
MIS	Management Information Services
MSA	management service agreement
NGO	non-governmental organization
NO	National Officer
NYCS	New York Computing Service
OAA	Office of the Assistant Administrator (BFA)
OECD	Organisation for Economic Cooperation and Development
OM	operations manager
OP	Other Professionals (particularly economists in UNDP field offices)
OPS	Office for Project Services
PC	personal computer

PCO	Planning and Coordination Office
PDA	programme development activities
PDD	Programme Development Division
PO	Programme Officer
POWER	Programme Operations Workbench and Reporting Prototype
PPIS	project/programme implementation services
PPMS	Programme and Project Management System
PROWESS	Promotion of the Role of Women in Water and Environmental Sanitation Services
PSA	programme support activities
PSDA	programme support and development activities
PSLP	Programme Logistical Support projects
RBA	Regional Bureau for Africa
RBAP	Regional Bureau for Asia and the Pacific
RBASE	Regional Bureau for Arab States and Europe
RBLAC	Regional Bureau for Latin America and the Caribbean
RMU	Resource Mobilization Unit
RR	Resident Representative
SCPM	Standing Committee for Programme Matters (Governing Council)
SMF/LDC	Special Measures Fund for the Least Developed Countries
SPR	Special Programme Resources
TAD	Technical Advisory Division (BPPE)
TCDC	Technical Cooperation among Developing Countries
TOKTEN	Transfer of Knowledge through Expatriate Nationals
UNCDF	United Nations Capital Development Fund
UNEP	United Nations Environment Programme

UNFDAC	United Nations Fund for Drug Abuse Control
UNFPA	United Nations Population Fund
UNFSTD	United Nations Fund for Science and Technology for Development
UNIC	United Nations Information Centre
UNICEF	United Nations Children's Fund
UNIFEM	United Nations Development Fund for Women
UNISTAR	United Nations International Short-term Advisory Resources
UNJSPF	United Nations Joint Staff Pension Fund
UNOG	United Nations Office at Geneva
UNPAAERD	United Nations Programme of Action for African Economic Recovery and Development
UNRFNRE	United Nations Revolving Fund for Natural Resources Exploration
UNSO	United Nations Sudano-Sahelian Office
UNV	United Nations Volunteers
WFP	World Food Programme
WID	Women in development


Administrator
Associate Administrator
Office of the Administrator
Division of Personnel
Planning and Co-ordination Office
Division for Global and Interregional Programmes
Division for Audit and Management Review
United Nations Development Fund for Women
Special Unit for TCDC
Division of External Relations
Governing Council Secretariat
Office for Project Services (OPS)
Bureau for Programme Policy and Evaluation (BPPE)
Policy Division
Programme Support and Development Division
Central Evaluation Office
Documentation and Statistics Office
Bureau of Finance and Administration (BFA)
Division of Finance
Division of Administrative and Management Services
Division of Management Information Services
Inter-Agency Procurement Office
Bureau for Resources and Special Activities (BRESA)
Division of Information
Resources Mobilization Unit
Liaison offices
United Nations Capital Development Fund
United Nations Sudano-Sahelian Office
United Nations Revolving Fund for Natural Resources Exploration/United Nations Fund for Science and Technology for Development
United Nations Volunteers
Regional Bureau for Africa (RBA)
Regional Bureau for Arab States and Europe (RBASE)
Regional Bureau for Asia and the Pacific (RBAP)
Regional Bureau for Latin America and the Caribbean (RBLAC)
FIELD OFFICES

Organizational Chart
1992-1993 Biennial Budget

/...

I. OVERVIEW

A. Financial summary

1. The revised estimates for the 1990-1991 core budget amount to $441.5 million gross and $410.5 million net. The additional amount of $7.2 million or 1.6 per cent over the approved 1990-1991 appropriations is attributable to cost adjustments of $5.6 million (1.3 per cent), a currency release of $2.4 million (0.6 per cent) and an inflation adjustment of $4.0 million (0.9 per cent). A detailed presentation of the inflation and cost increases is contained in sections IV.A and IV.D.

2. The revised estimates relating to programme support activities for the 1990-1991 budget amount to $66.8 million. The additional amount of $5.0 million or 8.2 per cent over the approved 1990-1991 appropriations is attributable to a volume increase for OPS and UNV of $1.5 million (2.5 per cent), a cost adjustment of $1.5 million (2.4 per cent), a currency adjustment of $1.5 million (2.5 per cent) and an inflation adjustment of $0.5 million (0.7 per cent). The revised estimates for the trust funds amount to $26.4 million. The additional amount of $0.3 million or 1.0 per cent over the approved 1990-1991 appropriations is attributable to a cost adjustment of $0.08 million (0.3 per cent), a currency adjustment of $0.02 million (0.1 per cent) and an inflation adjustment of $0.2 million (0.6 per cent).

3. The 1992-1993 budget estimates for the core budget amount to $482 million gross and $450 million net. The amount of $333.8 million gross relates to the field while $148.2 million relates to headquarters. Total growth in the core biennial budget amounts to $40.5 million or 9.2 per cent over the proposed revised 1990-1991 appropriations. In this connection, mention is made of the Administrator's proposal to introduce a new appropriation line under programme support and development activities (PSDA), formerly known as programme support activities (PSA). Under the proposed PSDA, distinction would be made between (a) programme development activities (PDA); (b) project/programme implementation services (PPIS); and (c) programme support. Proposals in this regard are elaborated in sections I.B, III.B and VI.A.

4. The total volume reduction in the core budget amounts to $26.3 million. This reduction is comprised of the following elements:

(a) Headquarters:

(i) Volume reduction of $13.7 million at headquarters;

(ii) Transfer of $4.8 million from headquarters core budget to PSDA;

(iii) Transfer of $2.2 million related to CGIAR and UNSO-UNEP joint venture to PSDA;

(b) Field:

(i) Transfer of $7.5 million relating to field economists from core budget to PSDA;

(ii) Volume increase of $1.9 million, of which $1 million relates to training requirements.

5. The estimates incorporate: (a) a cost adjustment of $8.6 million or 2.1 per cent over the proposed 1990-1991 estimates adjusted for the volume decrease; (b) a currency release of $0.2 million; and (c) inflation amounting to $58.3 million, or 6.7 per cent per year. Further details relating to the adjustments are incorporated in sections V.A, V.C and V.D.

6. The 1992-1993 budget estimates for PSDA amount to $100.4 million. This includes the following major elements:

(a) Programme development activities. Programme development activities at 1990-1991 prices amount to $19.0 million. This includes $4.8 million of transfer from the headquarters core budget, $7.5 million of transfer from the field core budget, $5.9 million of transfer from the SPR, $0.5 million of transfer from global funds and $0.3 relating to UNISTAR, which was already in the base. The $18.7 million shown as a volume increase in fact represents a transfer of resources. In terms of UNDP general resources, as a whole, it corresponds with a zero volume growth;

(b) Project/programme implementation:

(i) A volume growth of $0.6 million is registered for OPS. This reflects technical volume growth related to the one-year volume growth incorporated in the 1990-1991 base;

(ii) A volume growth of $1.2 million is reflected for UNV. This includes a technical volume growth amounting to $0.9 million relating to the one-year volume growth incorporated in the 1990-1991 base;

(c) Programme support. Programme support amounts to $2.3 million. This represents the transfers of CGIAR and the UNSO-UNEP joint venture from the core budget, including an actual volume increase of $0.1 million relating to CGIAR.

7. The estimates for PSDA incorporate: (a) a cost adjustment of $2.2 million or 2.4 per cent over the proposed revised 1990-1991 appropriations adjusted for the volume increase; (b) a currency adjustment of $0.7 million; and (c) inflation of $7.8 million or 4.1 per cent per year.

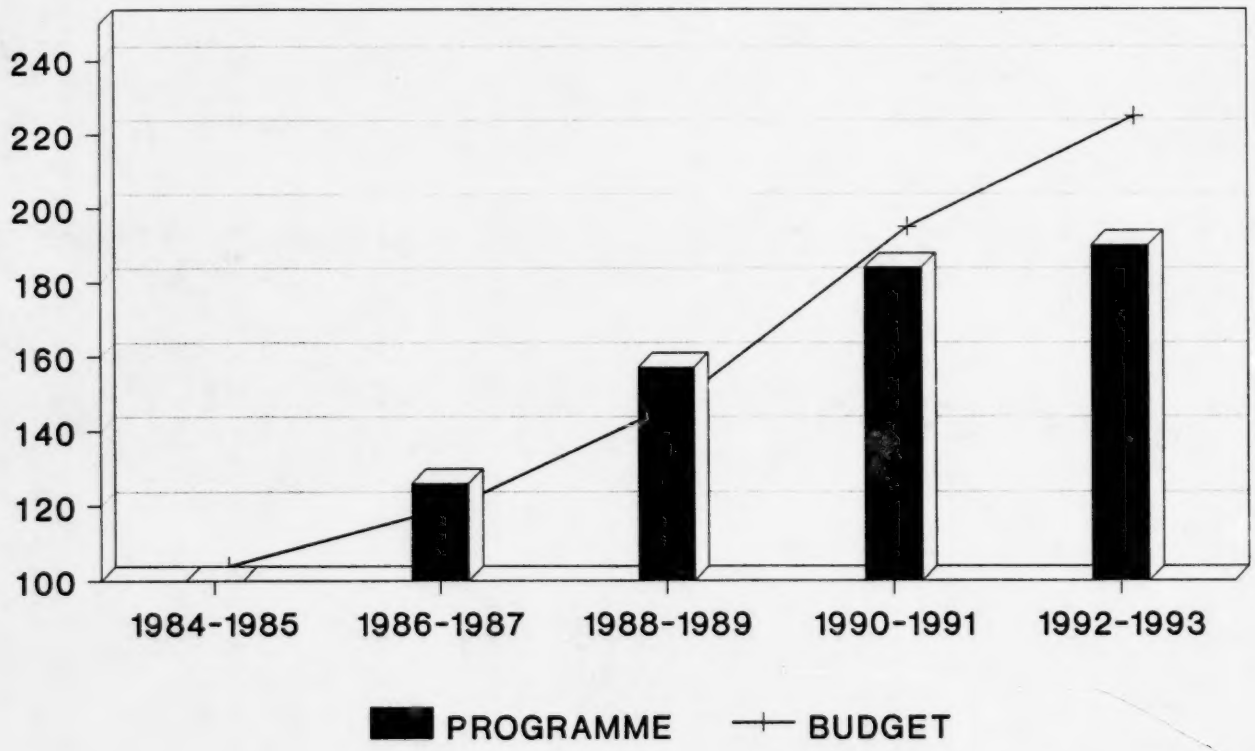
8. The 1992-1993 budget estimates for the trust funds amount to $28.9 million. This incorporates a net volume reduction of $1 million, a cost increase of $1 million and an inflation adjustment of $2.5 million. The total impact on the budget is $2.5 million.

B. Budget strategy

9. Following the conclusion of the thirty-seventh session of the Governing Council, the Administrator established a Budget Strategy Task Force to review options and make recommendations regarding the preparation of the 1992-1993 budget. The Task Force was chaired by the Assistant Administrator, BFA, and included a representative at the Director level from the Office of the Administrator, the Regional Bureaux, BPPE, DOF, DOP and PCO. The Task Force was charged with formulating recommendations bearing in mind the guidance from the Council contained, in particular, in decisions 90/34 of 23 June 1990 and 90/45 of 22 June 1990.

10. The review undertaken in conjunction with this strategic exercise indicated that the overall resource situation dictated a policy of budgetary restraint. Graph I.1 compares the relative growth of UNDP programme delivery (including cost-sharing) and core budget (1984/85 as base). This comparison assumes that there will be no volume change and that cost increases will amount to 7.7 per cent per year (including inflation). The graph demonstrates that while the programme delivery is expected to be essentially stagnant, the budget will continue to expand as cost growth continues. During the period up to 1990-1991, biennial budget growth did correspond with programme expansion. Since the Programme will be reflecting very limited growth in 1992-1993, the Administrator considers that, following the same principles, this must be reflected in his 1992-1993 budgetary proposals.

UNDP BUDGET AND PROGRAMME GROWTH
IF NO BUDGET VOLUME CHANGE IN 1992-1993
TRENDS (1984-1985 BASE: 100)



Source: UNDP audited financial statements for 1984-1989 (Official Records of the General Assembly, Supplement No. 5A, for the thirty-ninth to forty-fourth sessions). See also table I.1 for 1990-1991.

/...

11. Against this background, the Administrator's budget strategy is premised on the following elements:

(a) The overall resource situation requires a volume reduction in the headquarters budget;

(b) The presentation of the budget must be made more responsive to Governing Council decision 90/34, including the development of thematic priorities and the expansion in SPR;

(c) The budget must address the issue raised by the General Assembly regarding the delineation of programme, programme support and administrative expenditures;

(d) Finally, the Administrator's budget proposals recognize that the Governing Council will be considering the management consultants' report on the senior management structure (circulated to the Council as document DP/1991/50) together with the Administrator's comments on that report (DP/1991/51). Some further budgetary adjustments may be required on the basis of decisions to be taken by the Governing Council in this regard.

12. The application of these elements in the Administrator's budgetary proposals is reviewed briefly below.

13. The Administrator believes that, in order to ensure that every dollar possible is allocated to development activities in the field, it is necessary not only to secure zero volume growth at headquarters but indeed to absorb some of the cost growth. This is without prejudice to further consideration of UNDP management requirements resulting from the management consultants' report on the senior management structure. The implementation of the budget strategy has yielded real volume reductions at headquarters amounting to $13.7 million. The rationale underlying the headquarters reductions are elaborated in detail in section V.B. The reductions have been implemented on the basis of management initiatives to rationalize, simplify, restructure and decentralize.

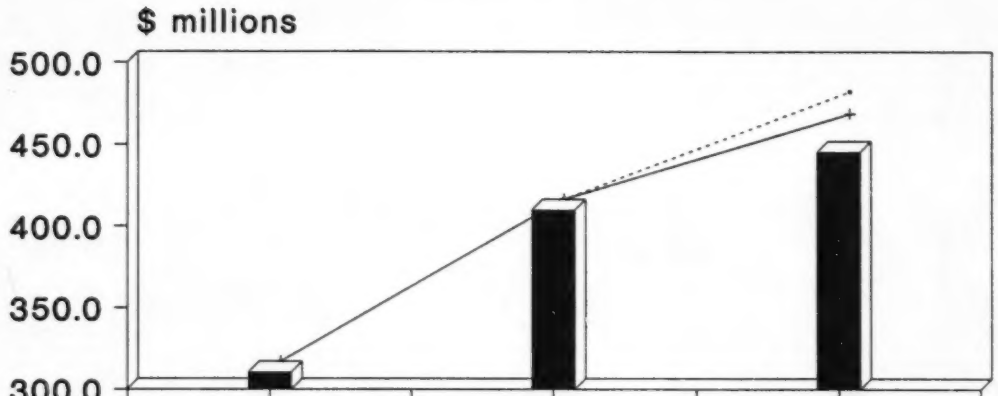
14. Consequently, the Administrator has not applied the policy of budget reductions to the field network. This reflects the priority attached to maintaining the strength of the UNDP field infrastructure. As the process of decentralization is translated into specific delegations of authority, the field offices will be required to absorb additional responsibilities. Through a process of rationalization and simplification of business processes, it is trusted that the additional workload will be kept to a minimum, indeed it could even be reduced. None the less, it would be premature to judge the full impact. Against this background, the Administrator is proposing a policy of severe restraint in the field. Details are provided in section V.C.1.

15. In order to respond to the thrust of both Governing Council decision 90/34 on the fifth programming cycle and General Assembly resolution 45/235 of 21 December 1990 on the financial reports and audited financial statements, and reports of the Board of Auditors, which deals with the issue of the delineation of

programme and administrative expenditures, the Administrator is proposing a new appropriation line, to be known as programme development activities, to fund UNDP developmental and thematic activities. The Administrator's proposal does not constitute a request for an increase in the total resources currently made available for these activities; his proposal is to consolidate the funding of these activities under a single appropriation line. The concept underlying this proposal is contained in section III.B and the proposals themselves are detailed in section VI.A.

16. Graph I.2 illustrates the impact of these proposals on the core budget. It illustrates (a) the projected 1992-1993 budget assuming zero volume growth; (b) the 1992-1993 budget incorporating the proposed real volume reductions only; and (c) the 1992-1993 budget incorporating the combined effect of real volume reductions and transfer of core budget resources to the appropriation line.

UNDP: VOLUME DECREASE AND PSDA PROPOSAL IMPACT ON CORE BUDGET



	1988-1989	1990-1991	1992-1993
(0) volume	310.5	410.0	475.6
(-) volume	310.5	410.0	462.1
(-) volume+transfers	310.5	410.0	445.2

17. The total impact of the Administrator's current budgetary proposals on the use of UNDP general resources in the biennium 1992-1993 is reflected in table I.1 below.

Table I.1. Use of UNDP resources, 1990-1993

(Millions of United States dollars)

Distribution of resources	1990-1991 Amount	1990-1991 Percentage	1992-1993 Amount	1992-1993 Percentage
Project costs a/	2 025	73.5	2 093	72.1
Agency support costs b/, c/	263	9.5	272	9.4
UNDP core budget: d/ field offices	270	9.8	315	10.9
UNDP core budget: e/ headquarters	156	5.7	152	5.2
UNDP/PSDA	40	1.5	69	2.4
Total	2 754	100.0	2 901	100.0

a/ Includes adjustments to prior year's programme expenditure, IPF, IPF-add-on fund, SPR, SIS, SMF/LDC, cost-sharing and GCCC.

b/ Includes OPS, other executing agencies, UNDP sectoral support costs, adjustments to prior year's programme support costs, expert hiatus financing, extended sick leave costs and compensation payments.

c/ The actual earnings of executing agencies may differ during the 1992-1993 biennium from the estimates incorporated in the present report. This is due to the fact that the final decisions regarding the support cost successor arrangements have not yet been taken by the UNDP Governing Council and the United Nations General Assembly.

d/ Includes extrabudgetary expenditure related to cost-sharing in the amount of $12.8 million for 1990-1991 and $13.6 for 1992-1993.

e/ Includes extrabudgetary expenditure related to cost-sharing in the amount of $3.2 million for 1990-1991 and $3.4 million for 1992-1993.

18. Table I.1 indicates that as a result of the Administrator's budgetary policy, the growth in the percentage of resources allocated to the core budget is limited to a 0.6 per cent increase - from 15.5 to 16.1 per cent. The Administrator's budgetary strategy is reflected in the fact that the headquarters core budget declines from 5.7 per cent to 5.2 per cent of total UNDP resources. By contrast, the field budget, where no volume decrease was applied, increases from 9.8 per cent to 10.9 per cent of total UNDP resources. In this connection, the Administrator wishes to emphasize the point that a large percentage of the field office workload is not in any way related to the delivery of the IPF programme. The Administrator believes that the application of the ratio of the cost of the core field establishment to total programme delivery in circumstances in which 46 per cent of the field office workload is not related to programme delivery does a disservice to the UNDP mandate. This issue is further discussed in section III.C.

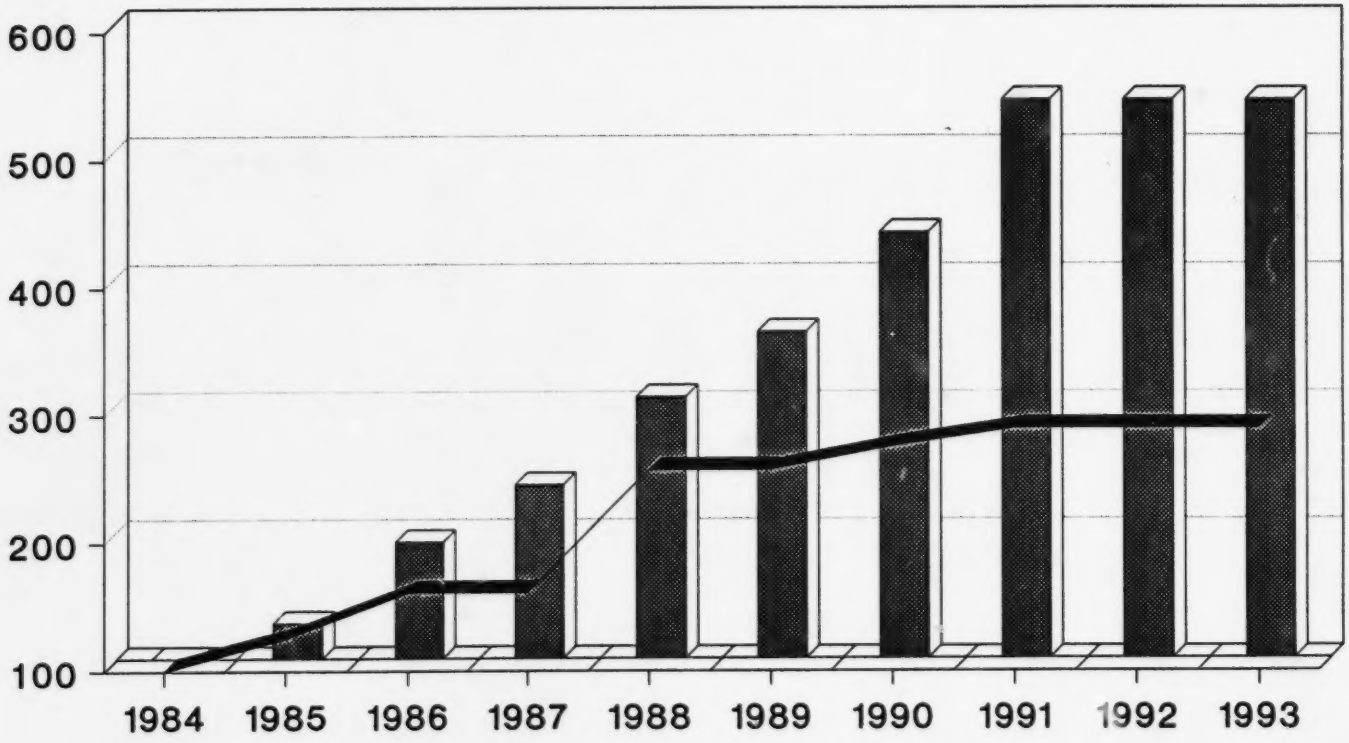
19. The Administrator is submitting his budget proposals as well as his comments on the management consultants' report on the senior management structure (DP/1991/50). The latter requires a separate detailed response. Those elements of the report which correspond with the Administrator's own initiatives and which were well under way in the context of the budget strategy before the study was conducted are included as elements of the Administrator's budget proposals. They concern essentially the implementation of the budget reductions, the restructuring of the Programme Development Division of BPPE, and the identification of a separate appropriation line for UNDP thematic and developmental activities.

20. The Administrator's comments on the management consultants' report relate to other central elements of the study; they include: the creation of a Strategy Division and an External Relations Bureau; proposals relating to the Division of Personnel; the proposal to dissolve BRESA; the incorporation of UNV together with OPS in a Programme Support and Development Division; the role, location and staffing of the special funds; and finally the strengthening of the management capacity of the Regional Bureaux, in particular through the implementation of the concept of the division manager. These proposals touch on major policy issues in respect of which the Administrator considers consultation should precede incorporation in his budget proposals.

21. A final element contained in the Administrator's budget strategy relates to the treatment of OPS, UNV and the trust funds. The Administrator believes that the same principles he has applied to the core budget should be applied to OPS and UNV. In the case of the core budget, a review of the overall resource situation led him to conclude that budget reductions at headquarters were required. This situation is represented in graph I.1. However, graphs I.3 and I.4, depicting the programme growth of OPS and UNV respectively, lead to a different conclusion. In order to sustain the continuing programme growth depicted in these two graphs, budget growth is required. The Administrator's detailed proposals are contained in chapter IV, sections B and C. The Administrator wishes at this point only to emphasize that he considers his treatment of UNDP core on the one hand and OPS and UNV on the other as strictly consistent. With regard to UNSO, UNCDF and UNFSTD/UNRFNRE, the Administrator has frozen any new staffing proposals pending further consideration of the management consultant study. The Administrator's proposals with regard to UNIFEM are contained in section VI.F.

OPS: DELIVERY AND PROFESSIONAL STAFF

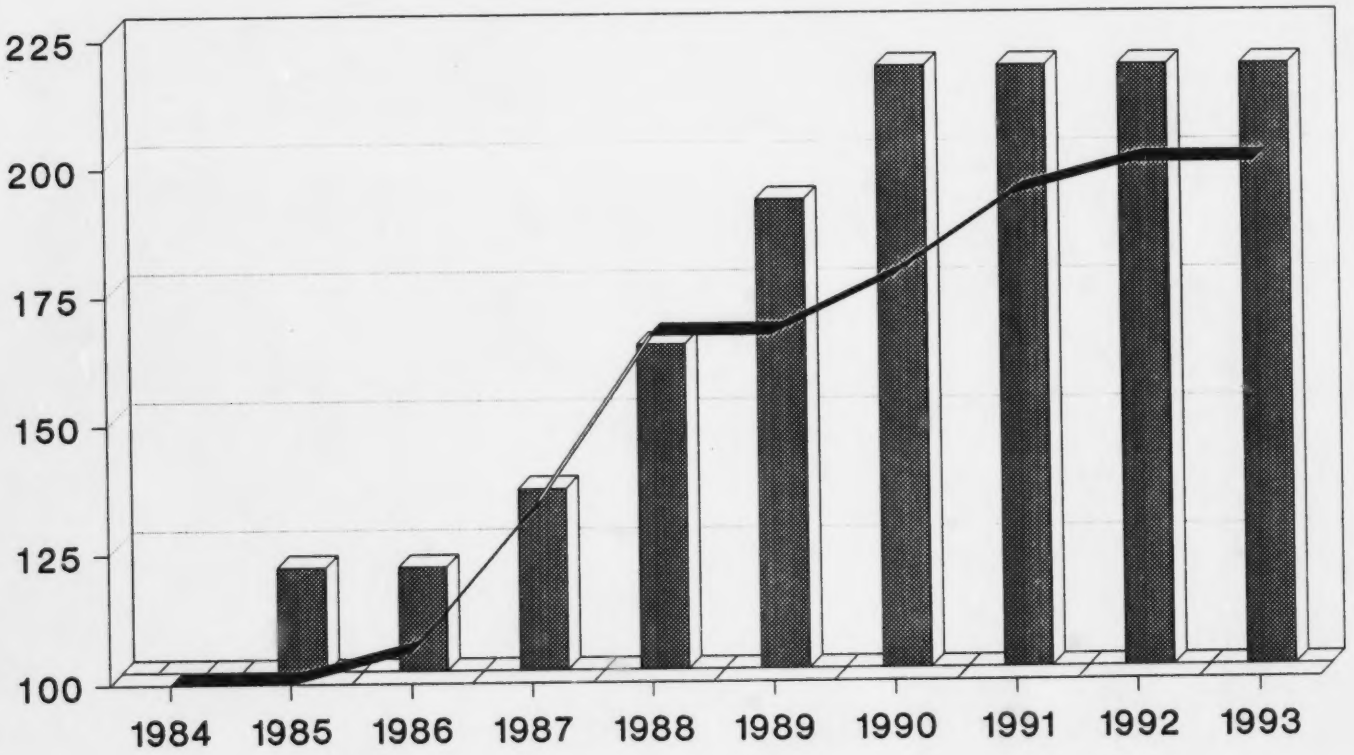
TRENDS (1984 BASE: 100)



1984 :	28	$ 65.9m
1991 :	81	$ 354.0m

/...

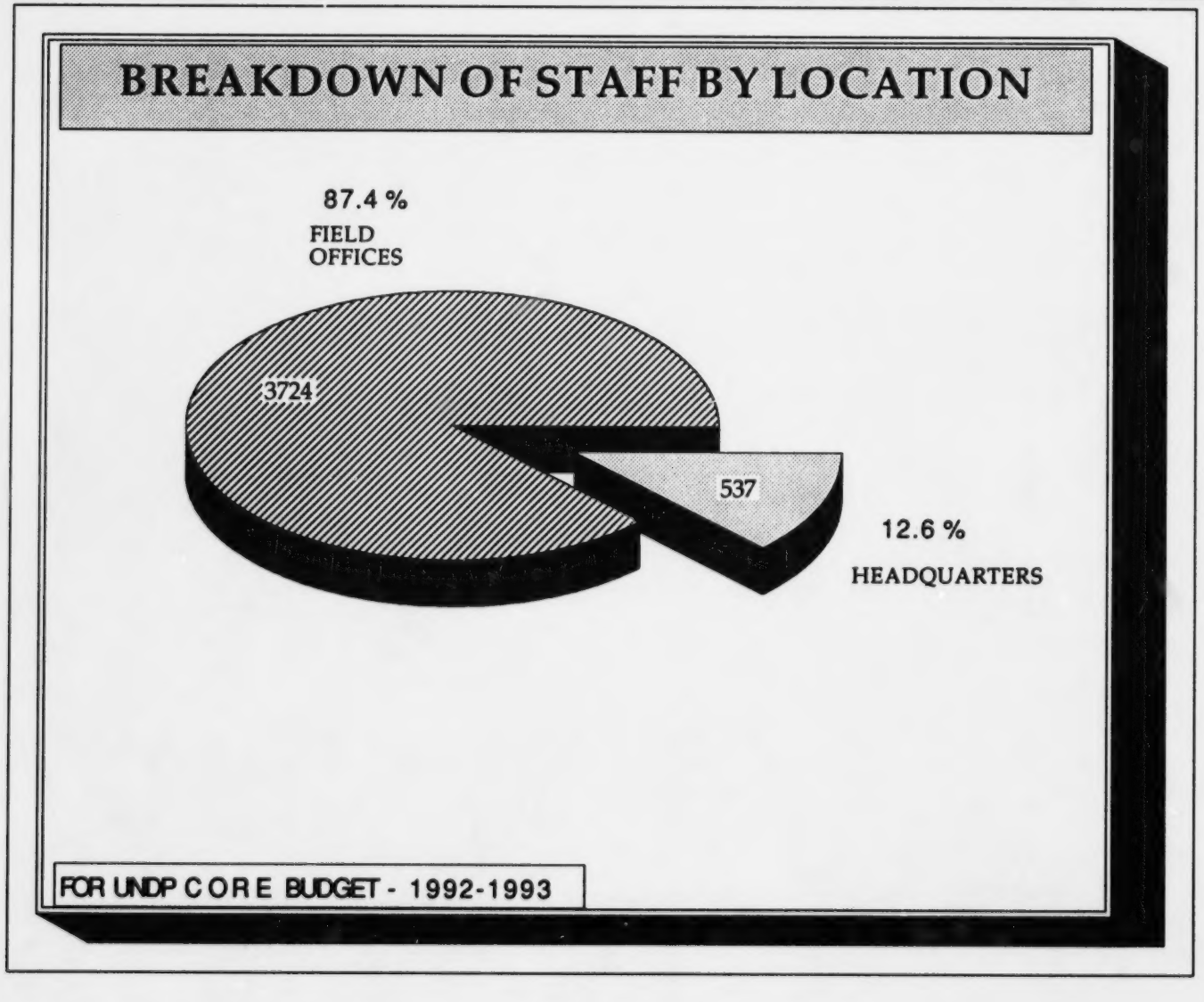
UNV: VOLUNTEERS AND PROFESSIONAL STAFF
TRENDS (1984 BASE: 100)



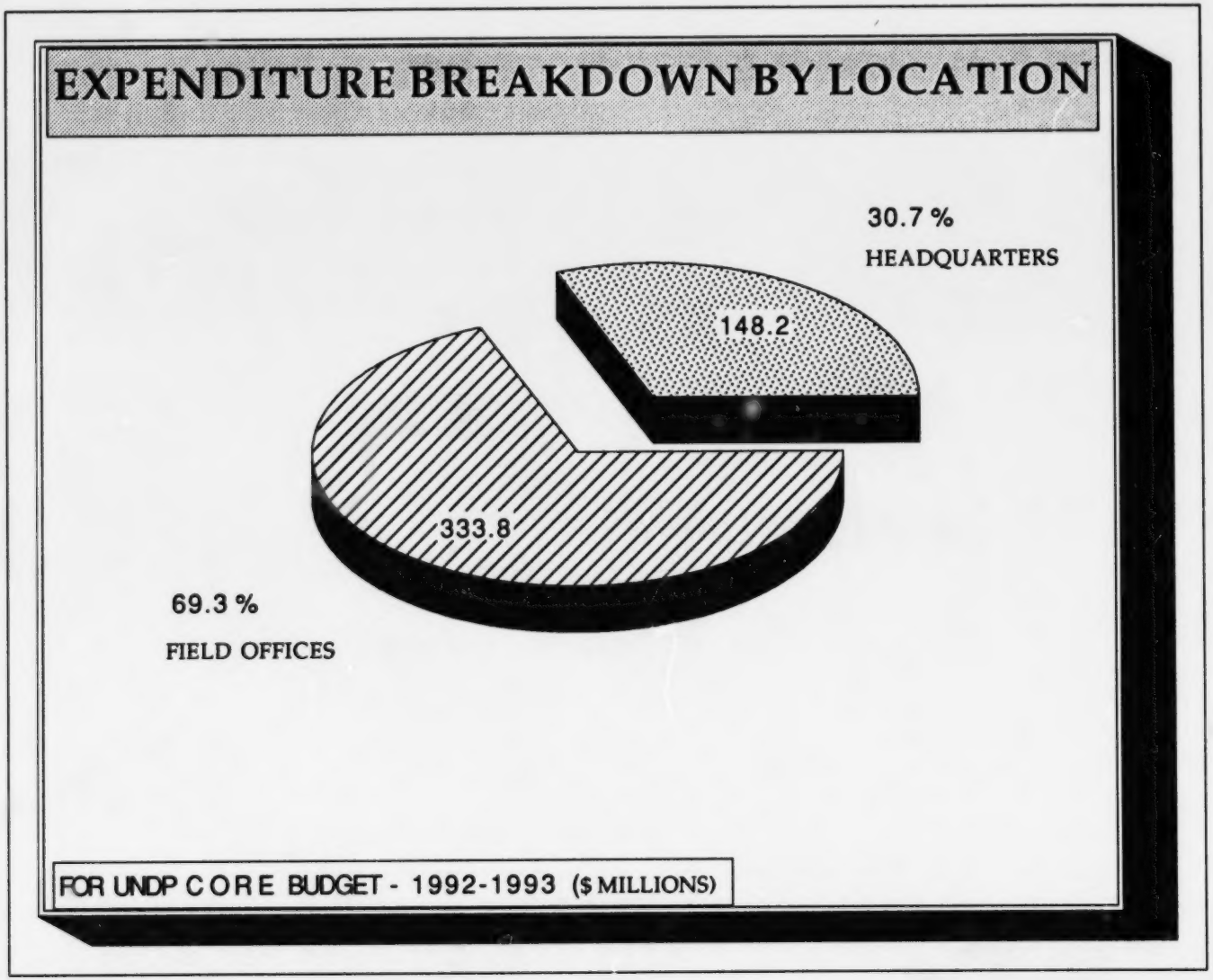
	PROFESSIONALS	TOTAL UNVs
1984 :	18	942
1991 :	35	2045

C. Composition of UNDP budgets, 1992-1993

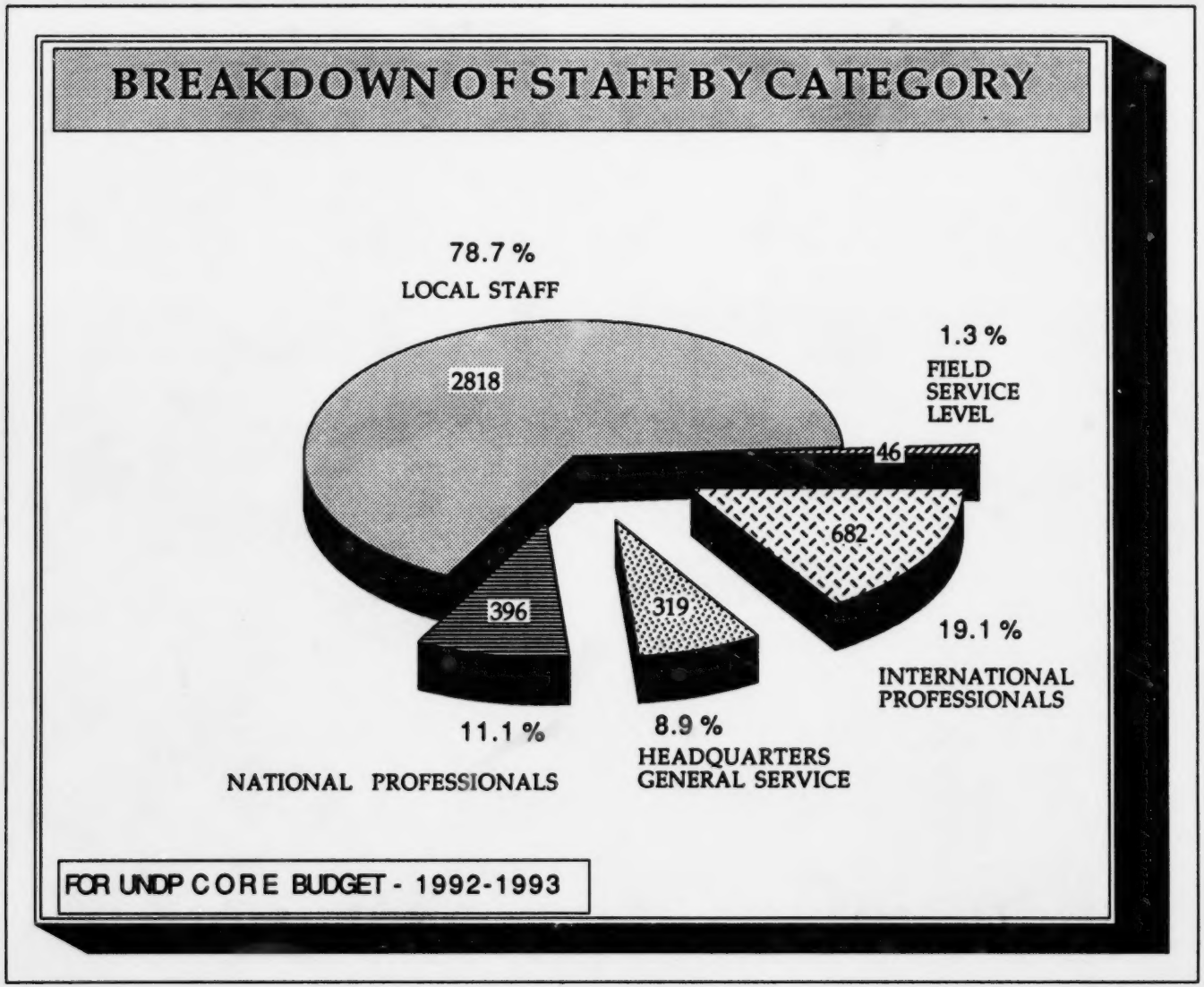
22. In order to provide an overview of the breakdown of the UNDP core budget, in terms of number of staff as well as expenditure, four graphs are presented on the following pages. The first graph shows that 87.4 per cent of UNDP staff funded from the core budget are located in the field, and, as can be seen on the second graph, almost 70 per cent of the core budget is spent by the field offices. The third and the fourth graphs provide the distribution of staff by category and the distribution of expenditure by category, respectively.


BREAKDOWN OF STAFF BY LOCATION
87.4 %
FIELD
OFFICES
3724
537
12.6 %
HEADQUARTERS
FOR UNDP CORE BUDGET - 1992-1993

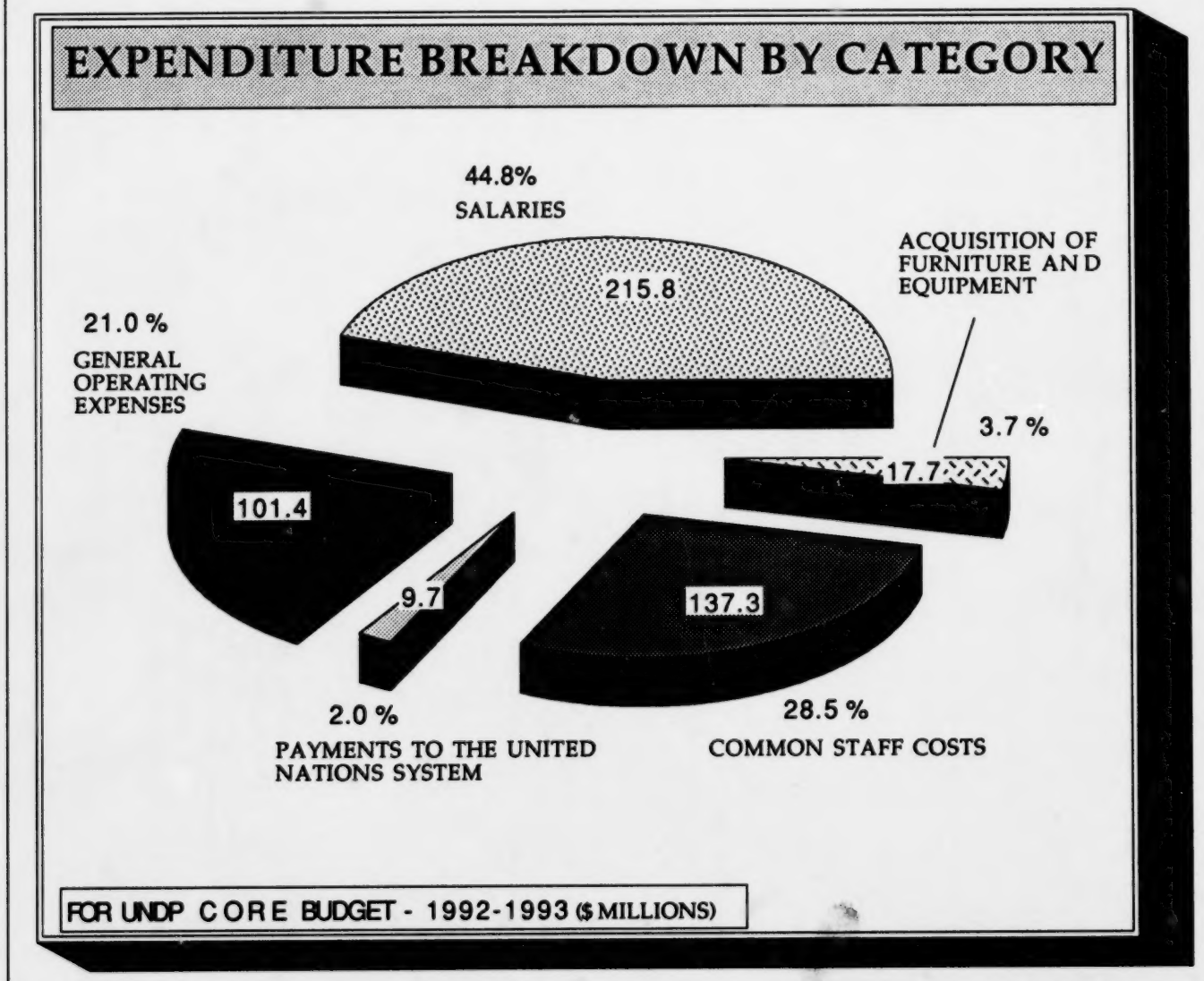
/...


EXPENDITURE BREAKDOWN BY LOCATION
30.7 %
HEADQUARTERS
148.2
333.8
69.3 %
FIELD OFFICES
FOR UNDP CORE BUDGET - 1992-1993 ($ MILLIONS)

/...


BREAKDOWN OF STAFF BY CATEGORY
78.7 %
LOCAL STAFF
2818
1.3 %
FIELD SERVICE LEVEL
46
682
19.1 %
INTERNATIONAL PROFESSIONALS
396
11.1 %
NATIONAL PROFESSIONALS
319
8.9 %
HEADQUARTERS GENERAL SERVICE
FOR UNDP CORE BUDGET - 1992-1993

/...


EXPENDITURE BREAKDOWN BY CATEGORY
44.8%
SALARIES
215.8
ACQUISITION OF FURNITURE AND EQUIPMENT
21.0 %
GENERAL OPERATING EXPENSES
3.7 %
17.7
101.4
9.7
137.3
2.0 %
PAYMENTS TO THE UNITED NATIONS SYSTEM
28.5 %
COMMON STAFF COSTS
FOR UNDP CORE BUDGET - 1992-1993 ($ MILLIONS)

/...

II. METHODOLOGY

23. The methodology used to prepare these estimates remains the same as that applied for the original and revised estimates pertaining to the 1984-1985, 1986-1987, 1988-1989 and 1990-1991 biennial budgets. The approach involves several sequential steps in calculating the estimates. The results of each of these steps is reflected in a separate column in the budget presentation. The Administrator continues to believe that the methodology described below enables the Governing Council to obtain the best possible overview of the UNDP programme support and administrative services budget.

24. Following is a summary of these steps as they have been applied in formulating the 1992-1993 biennial budget estimates. Table IV.1 illustrates the application of the methodology to these estimates.

A. Volume adjustments

25. First, using the revised 1990-1991 estimates as a base, the real increases or decreases in requirements have been calculated and designated as volume changes. In a sense, volume changes, as defined, represent the controllable elements in the estimates, subject to the Administrator's assessment as to what UNDP requires in order to do the job with which it is entrusted. Such volume changes are calculated at 1990-1991 price levels to facilitate comparison with the 1990-1991 revised estimates.

26. Since the UNDP budget is overwhelmingly post-driven (over 70 per cent of the estimates pertain to direct staff costs), volume adjustments in regard to increases or decreases in staff are itemized and explained in some detail in sections V.B and V.C. Overall staff changes are summarized in table V.3 as well as in summary tables 9 and 10, while those at the organizational unit level are presented in volume II. Volume adjustments in respect of other operating expenses may be reviewed in detail for the UNDP core budget in summary table 4, or in the organizational unit tables in volume II.

B. Various cost adjustments

27. To these volume changes are then added other cost factors, over which the Administrator has little control, if any, but which, nevertheless, have an impact on overall resource requirements for the biennial budget. Such other cost factors include, for example, decisions of ICSC on a variety of staff entitlements, as well as the annual within-grade increment. Normally, but not exclusively, such cost adjustments apply to staff costs.

28. These cost factors are itemized in respect of 1990-1991 in section IV.D, and in section V.D in respect of 1992-1993.

C. Currency adjustment

29. Next, currency adjustment is added to these two elements. This factor is of particular importance to the UNDP field office network, operating as it does in close to 100 different currencies around the world and the operating costs of which vary greatly with the strength or otherwise of the United States dollar. UNDP operations in Geneva, Tokyo and Copenhagen are also affected by this factor.

30. For the 1990-1993 estimates, the currency adjustment represents:

(a) For 1990: the difference between the United Nations operational rate of exchange in effect on 1 February 1990, which was used for the first revision of the estimates (DP/1990/65 and Corr.2) and the weighted average rate for 1990;

(b) For 1991: the difference between the United Nations operational rate of exchange in effect on 1 February 1990, and that in effect a year later, on 1 February 1991, which is the basis for preparation of the present document;

(c) For 1992: the difference between the weighted average exchange rate used for the 1990 base and the United Nations operational rate of exchange in effect on 1 February 1991;

(d) For 1993: there is no currency adjustment for 1993, since its base is 1991, for which the same operational rate of exchange is used, i.e., that in effect on 1 February 1991.

D. Inflation adjustment

31. Finally, to complete the picture and to develop the final estimate of requirements for the current and the next biennium, the Administrator must estimate inflation over the four-year period 1990-1993. However, the nature of the inflation adjustment between the two bienniums differ as follows:

(a) For 1990-1991, the existing estimates already embody the earlier estimates of inflation. The inflation adjustment for this biennium therefore represents the difference between the application of earlier estimates and the Administrator's revised estimates;

(b) For 1992-1993, the figures in the inflation adjustment column represent the full financial impact of applying the Administrator's inflation projections to bring the estimates up to 1992-1993 prices.

32. In order to arrive at these estimates of inflation, four inflation factors for each location are adopted for each year: the first inflation factor pertains to the estimated movement of post adjustment for international staff; the second to international travel and common staff costs for international staff (this is the same for all locations); the third factor encompasses salaries and common staff costs for local staff, which may vary significantly from location to location; the fourth factor relates to all other costs, such as general operating expenses.

33. Within this general framework, New York and Geneva are treated separately from the field offices. For these two locations, the rates used are the same as those used by the United Nations, unless specific contractual commitments differ.

34. Apart from international travel and common staff costs of international staff, the inflation factors for field offices must be location-specific. The resident representative is therefore requested to consult locally and project inflation trends in the country of assignment; these estimates are then compared with past experience and current global patterns before being applied to the budget estimates.

35. Inevitably, this element of the budget estimates is subject to a margin of error. It is therefore thoroughly reviewed and updated each year.

III. PRESENTATION

36. The Administrator is proposing a number of changes in the presentation of the biennial budget. Four elements require consideration:

(a) The appropriation structure;

(b) The delineation of project, programme support and administrative expenditures;

(c) The delineation of IPF-related activities and other field office activities;

(d) The technical support budgets of the Special Funds.

37. Section III.B focuses on the delineation between project, programme support and operational and administrative expenditures in relation to UNDP headquarters. Section III.C focuses on the same issue as it relates to the field. In the field, however, the central issue relates to the delineation of IPF-related activities and overall field office activities. Finally, section III.D focuses on the issue of the technical support budgets of the Special Funds. For a number of the funds, programme support activity is financed through the mechanism of the technical support budget.

A. Appropriation structure

38. The appropriation structure as approved in DP/1990/65 is reflected in table III.1. Detailed review of this presentation indicates an inconsistent treatment of income. In the case of field offices, income represents essentially government local office cost contributions. In the case of OPS, income represents extrabudgetary income from outside the general resources of UNDP, namely income deriving from multilateral cooperation arrangements, trust funds and management services. In the case of UNSO, income reflects in part a transfer of resources from the core budget (hence the adjustment line at the bottom) and partly a contribution from UNEP.

39. In sum, in each case, the term "income" is being used to describe financial transactions which are quite distinct in character. Furthermore, the concept of extrabudgetary resources is treated differently in the case of OPS than in the rest of UNDP.

40. In order to ensure consistency of treatment and to provide more complete information, the Administrator now proposes to amend the structure of the appropriation decision and to provide a supplementary table. This proposal is in line with United Nations budgetary practices.

41. The proposed appropriation tables for the revised 1990-1991 budget and the 1992-1993 budget estimates are reflected in tables IV.2 and V.2 on pages 52 and 65 respectively. They provide for a single appropriation column. Gross and net appropriation figures are provided in respect of the total cost of field offices and the cost of field offices net of government local office cost contributions. Summary tables 1a and 1b, presented for the first time in the budget estimates, provide comprehensive information on estimated extrabudgetary resources by appropriation line. This includes the extrabudgetary resources available to headquarters, the field offices, programme support activities and the trust funds.

42. The implications of this proposal for the presentation of the OPS budget are that a clearer distinction will be made between that part of the OPS budget financed from support cost earnings charged to UNDP general resources and the income generated from extrabudgetary resources. The Administrator believes that transparency dictates that the Governing Council should be able to differentiate between those resources funded from their voluntary contributions to UNDP and those funded from multilateral cooperation arrangements, trust funds, and bilateral contributions. Accordingly, in Volume II, two tables are provided, one relating to OPS budgetary resources and the other to OPS extrabudgetary resources. The extrabudgetary income earned by OPS from resources other than the general resources of UNDP (agency support costs) will be treated in the same manner as all extrabudgetary resources.

Table III.1. UNDP appropriation structure, 1990-1991

(Thousands of United States dollars)

Resources	Gross appropriations	Estimated income	Net appropriations
I. General resources of UNDP			
A. UNDP core activities a/			
Headquarters	150 127.2 b/	0.0	150 127.2
Field offices	284 177.4	29 940.0 c/	254 237.4
Total UNDP core activities	434 304.6	29 940.0	404 364.6
B. Programme support activities			
Development support services	5 000.0	0.0	5 000.0
Office for Project Services	45 201.5	19 959.0 d/	25 242.5 e/
Inter-Agency Procurement Services Office	4 446.8	0.0	4 446.8
United Nations Volunteers	24 351.0	0.0	24 351.0
National execution f/	2 400.0	0.0	2 400.0
United Nations International Short-Term Resources	350.0	0.0	350.0
Total programme support activities	81 749.3	19 959.0	61 790.3
Total resources of UNDP	516 053.9	49 899.0	466 154.9
II. Resources of trust funds			
A. United Nations Capital Development Fund	9 756.6	0.0	9 756.6
B. United Nations Revolving Fund for Natural Resources Exploration and United Nations Fund for Science and Technology for Development	5 670.6	0.0	5 670.6
C. United Nations Sudano-Sahelian Office	8 621.4	2 000.0 g/	6 621.4
D. United Nations Development Fund for Women	4 123.6	0.0	4 123.6
Subtotal I and II	544 226.1	51 899.0	492 327.1

Table III.1 (continued)

Resources	Gross appropriations	Estimated income	Net appropriations
III. Adjustment for UNDP contribution to UNSO-UNDP/UNEP joint venture	(1 000.0)	(1 000.0)	0.0
Total appropriations	543 226.1	50 899.0	492 327.1

a/ The appropriation for UNDP core activities is broken down into those related to the field office network and those related to headquarters. The Administrator is permitted to redeploy between the two lines up to a maximum of 5 per cent.

b/ Includes UNDP contribution to UNSO-UNDP/UNEP joint venture of $1.0 million.

c/ Includes estimated income of $29.6 million for host government contributions in cash.

d/ Represents estimated income from trust funds and management service agreements.

e/ Chargeable to agency support costs.

f/ Represents headquarters accounting and auditing support costs for national execution projects (see Governing Council decisions 87/14 of 26 May 1987 and 88/18 of 1 July 1988).

g/ Includes $2.0 million for UNSO-UNDP/UNEP joint venture, of which $1.0 million is funded from the UNDP core budget and $1.0 million from that of UNEP.

B. Delineation of project, programme support and administrative expenditures

43. In its resolution 45/235 of 21 December 1990 concerning the financial reports and audited financial statements and reports of the Board of Auditors, the General Assembly requested the Governing Council to require the Administrator to issue and implement comprehensive and specific guidelines in order to delineate appropriately programme expenditure, programme support and administrative expenditures.

44. In anticipation of the Governing Council's consideration of this matter, the Administrator is proposing some broad principles. More comprehensive guidelines will be prepared following consideration by the Council of these principles. The Administrator has incorporated the proposed principles in his budget presentation.

45. In putting forward his proposals, the Administrator is conscious that the question of the delineation of programme and administrative expenditures has been the subject of considerable review. In 1986, the Executive Director of UNFPA put forward a report on draft guidelines for determining project-related and administrative-related personnel expenditures (DP/1986/42). In 1988, the Administrator reviewed in detail funding mechanisms for programme support and administrative services (DP/1988/52). Most recently, the distinction between programme and project level support services in the technical field as it relates to agencies has been examined and analysed at length in the context of the discussions relating to the successor support cost arrangements.

46. None of the reviews indicated above have direct applicability to the delineation question as it relates to the classification of UNDP expenditure. None the less, they provide a useful starting point. As does General Assembly resolution 45/235 itself, these reviews point in the direction of a classification in three parts. These relate to operational and administrative support, to programme level support and development, and to project level activities. The Administrator's proposals build on this emergent consensus.

47. The Administrator's proposals are based on a number of precepts. First, many efforts have been made to delineate between programme and administrative expenditures. The search for a scientific and empirically verifiable definition has yet to prove fruitful. What is attainable, however, is a classification of expenditure based on principles which are transparent, easy to understand, and appear reasonable. Such principles should use commonly accepted terminology. Furthermore, and perhaps most significant, the principles elaborated should be responsive to the direction and intention of the Governing Council.

48. Consideration of the current appropriation structure gives rise to a number of issues relating to the classification of administrative and programme expenditure. The current appropriation structure is displayed in table III.1. The structure is divided into three main categories: the core budget, programme support activities and the trust funds. These three categories are distinguished by two separate elements - the funding source and the character of the activity. Both the core budget and programme support activities are funded from UNDP general resources. The trust funds are distinguished by the fact that they have their own resources. The critical issues relate to the distinction between the core budget and programme support activities.

49. The current appropriation structure does not differentiate between (a) operational and administrative support and (b) programme level developmental activities. This lack of differentiation has led to programme development being funded in two different ways. On the one hand, developmental initiatives in the areas of women in development, grass-roots participation and poverty alleviation, technical cooperation among developing countries, entrepreneurship and human development have been a charge to the core budget. At the same time, initiatives in some of the same areas (e.g., human development) as well as in other areas, such as education for all, AIDS, and the management development programme, have been implemented in the form of projects. These projects are financed variously from SPR and global resources.

50. The programme support activity section of the appropriation structure has remained somewhat undeveloped. Currently, it focuses essentially on programmes which have a bearing on programme implementation. OPS, UNV, IAPSO, and headquarters support to national execution all contribute in their different ways to the process of implementation. Only UNISTAR represents an element which is strictly thematic, substantive and developmental in character. DSS, intended to provide resources for substantive and thematic work, is confined to the provision of consultancy resources. The use of the programme support activity appropriation line for substantive developmental activities at the programme level, therefore, at this time remains in its infancy.

51. In summary, the current presentation does not differentiate within the core budget between operational and administrative support on the one hand and programme-level developmental activities on the other. Neither does the current presentation give a complete picture since some programme-level developmental activities at headquarters are undertaken in the form of projects. This is, to some extent, the consequence of the lack of differentiation in the presentation of the core budget. The Administrator's conclusion is that the current presentation precludes the possibility of a coherent presentation of UNDP substantive developmental activities at the programme level.

52. The Administrator believes that Governing Council decision 90/34 on the fifth programming cycle provides clear guidance as to the direction to be taken. Decision 90/34 requires the Administrator to take new programming initiatives in a number of substantive and thematic areas. The need for thematic developmental work at the programme level is further enhanced by the importance given by General Assembly resolution 44/211 of 22 December 1989 and other decisions to the adoption of a programme approach. Above all, the orientations adopted by the Governing Council have been supported by an increase in SPR from $187 million to $313 million in the fifth cycle. Under the current presentational arrangements, the required initiatives would take place largely through SPR-funding of projects, including staffing.

53. The Administrator wishes to develop the budget in order to reflect these issues in a transparent manner. He believes that what is required is a more comprehensive presentation, where all programme development and thematic work is reflected in an identifiable part of the budget for which the Administrator is separately accountable.

54. Against this background, the Administrator proposes the following budgetary categorization:

(a) The core budget. The core budget relates to the operational and administrative support services provided by UNDP. This includes the core activities performed by the Regional Bureaux and by the proposed Programme Support and Development Division, BPPE, whose formulation, appraisal, technical advisory and technical liaison work with the specialized agencies would represent an integral and permanent part of UNDP activities. This in large part relates to the functions presently performed by the Technical Advisory Division;

(b) Programme support and development activities. PSDA relates to three distinct elements. One element covers programme support and implementation activities. OPS, UNV, IAPSO, DSS, and headquarters support to national execution fall under this category. This conforms to current practice. The second element relates to pure programme support. UNDP contributions to CGIAR and the UNSO/UNEP joint venture fall under this category. These are not an appropriate charge to the operational budget of UNDP itself but represent institutional support to programme initiatives. The third, new, element relates to programme development and thematic activities in particular, bearing in mind decision 90/34 and other related decisions. The details of the Administrator's proposal are set out in section VI.A. His proposal would consolidate funding under the PSDA appropriation line for developmental work in the following areas at headquarters: grass-roots activities and poverty alleviation, women in development, human development, public sector management, technology and private sector development, environment, AIDS and education for all, and technical cooperation among developing countries.

55. The use of resources for developmental initiatives under the PSDA is for purposes sanctioned by the Governing Council. The nature of these activities is clearly distinguishable from both the operational support activities funded under the budget and from project-level activities. PSDA-funded developmental work would respond to global programme issues. The developmental aspect of the work relates to the identification of new development challenges and opportunities and the need to design appropriate approaches. The PSDA would provide the incubator for new ideas to germinate and flourish; it could also, in some cases, appropriate the resources required to manage specific developmental programmes in the initial phases before appropriate mainstreaming. The work may require an element of advocacy to ensure that the challenges receive the attention and priority demanded by the international community - in sum, to ensure their place on the development map. The functions required would need to be reviewed on a regular basis in order to establish when they can be mainstreamed into operational activities. This kind of developmental work requires advocates, experts and specialists rather than administrators and managers.

56. In the same way that PSDA-funded developmental work is clearly distinguishable from operational activities financed out of the core budget, so is it similarly distinguishable from project activity. A project is a separately identified development undertaking of one or more Governments and assisted by UNDP (see UNDP Financial Regulations 2.2) and is presented in the form of a project document which is signed by the concerned parties.

57. The number of project-funded posts at headquarters has been the subject of review for a number of years. The consolidation of programme-level developmental work under the PSDA should provide a clearer distinction between programme support activities appropriated in the budgetary process and project-specific activities. These proposals, together with the proposals contained in section III.D relating to the consolidation of the technical support budgets, would see the number of professional project-funded posts at headquarters reduced from 48 at the end of 1990 to a foreseen 24 by January 1992. Of the remaining professional project-funded posts, 6 relate to the Special Plan of Economic Cooperation for Central American and UNPAEERD initiatives, both mandated by the General Assembly. Another 6 posts relate to IDWSSD, 2 to DGIP-funded projects, 6 to project initiatives in Africa, 1 in Asia, 1 to TCDC activities, and 2 to displaced persons.

58. The relationship between projects, PSDA-funded activities and the core budget can be understood to some extent as a continuum. Development issues emerge and can be identified in specific and limited contexts in the project form. At the point at which the specificity of the project experience becomes a limiting factor and there is a need to expose the concepts and challenges within a broader developmental context, the resources required should be appropriated under the PSDA. In turn, once the concepts have been developed and understood, mainstreaming becomes the order of the day and the support for related activities becomes integrated into the UNDP operational budget. UNDP work in human development is a good example. For the last two years, the work has been funded from SPR as a project. The Administrator believes it is now time to reflect the developmental aspects of the work under the PSDA and to request that the necessary resources be appropriated for this purpose. In due course, the issues of operationalization and mainstreaming could lead to a request for a measure of core funding. Another example is AIDS, currently funded by global resources under a project for which the Administrator believes resources should be appropriated under the PSDA.

59. In summary, the Administrator believes that his proposal to expand the PSDA section of the appropriation structure to include thematic and developmental activities at the programme level contains the following advantages:

(a) The presentation of the budget is responsive to the direction and priorities established by Governing Council decision 90/34;

(b) The presentation provides the Governing Council for the first time with a comprehensive picture of UNDP thematic and programme development work at headquarters;

(c) The establishment of a distinctive and separate appropriation line for thematic and developmental work ensures that the Administrator is separately accountable for this facet of UNDP activities;

(d) The operational and administrative budget does not carry activities that are clearly substantive and developmental in nature;

(e) The presentation of these activities under the PSDA accurately reflects the fact that these initiatives are not part of the permanent UNDP infrastructure but relate to areas requiring innovation and development;

(f) The concept of programme-level developmental activities is clear and based on currently accepted terminology;

(g) The international community, through the appropriation process, will be able to translate directly changing developmental priorities into resource availability.

60. The Administrator believes that the principles outlined above are fully served by his proposal.

C. Delineation of IPF-related and other field office activities

61. The delineation of programme and administrative expenditures in the field requires consideration of two distinct issues. The first issue relates to support to project implementation, which is charged to programme resources. In this regard, the Administrator has defined the concept of programme logistical support projects (PLSPs) and has issued guidelines. PLSPs are funded from the country IPF and bring together under one project programme support and administrative services which might otherwise be provided for in each individual project document. PLSPs are subject to careful scrutiny at headquarters and are reviewed by the Board of External Auditors. The Administrator believes that the existing guidelines are appropriate and comprehensive and do not require additional substantive amendments.

62. The second issue relates to the significant workload undertaken by field offices which does not relate to the delivery of the IPF programme. For the last decade, statistics have consistently indicated that approximately 45 per cent of the activities of field offices do not relate to the delivery of the IPF programme. It should be noted that extrabudgetary activities financed through UNDP, such as cost-sharing, trust fund activity and management services, are self-financing and field offices are compensated for the workload generated. The large percentage of time spent by field offices on non-IPF-related activity does not therefore represent a subsidy from core to extrabudgetary activity but is inherent in the profile and functions of field offices throughout the world. Indeed, this 45 per cent, including the tasks that devolve on the function of Resident Coordinator, are one of the great strengths and represent one of the most valuable assets of the UNDP field office network. Table III.2 presents the latest workload study undertaken in conjunction with the budget formulation process with regard to the preparation of the 1992-1993 estimates. The current workload estimates indicate that currently 54 per cent of workload relates to the IPF. These figures serve to confirm the historical experience.

63. The current lack of differentiation in the presentation of the field budget acts, paradoxically, as a disincentive for the field offices to perform the wide range of service functions for the United Nations system and the broader community which are their hallmark. Financial constraints make it necessary for field offices, instead of embracing these tasks, to seek reimbursement at every opportunity. The consequence of this is to encourage increased fragmentation rather than the integrated approach which has been mandated. Furthermore, the field office network is considered an integral part of the UNDP operational and

administrative budget and the efficiency of UNDP operations is regularly measured by comparing, inter alia, the cost of the field office network to IPF programme delivery. The Administrator believes that it is timely that ACABQ and the Governing Council should give renewed consideration to the presentation of the field budget. A number of options may be considered. One option could be to transfer the whole of the UNDP field infrastructure under the PSDA section of the appropriation. Another would be to discount by 45 per cent the field-related budgetary expenditures and to show this instead as PSDA in the presentation of table I.1.

64. In his current presentation, the Administrator has limited himself to a single proposal: to reflect that portion of the cost of aid coordination separately identifiable in the form of the international economist posts in the field under the PSDA section of the appropriation. The aid coordination function, in its manifold guises, goes well beyond the area of administrative and operational support to the IPF programme. It does so by definition and it could be considered inappropriate for this function not to be separately appropriated and accounted for. While the Administrator has limited himself to this proposal at this time, he considers that the Governing Council's guidance is needed regarding the broader issues referred to above.

Table III.2. UNDP field office workload: percentage breakdown of staff time, 1990 a/

Type of activity	Resident representative	Depty res. rep.	Programme section	Admin section	Total staff time
UNDP IPF/cost-sharing programme (country and (intercountry)	41	55	65	51	54
Other UNDP-managed funds (UNCDF, UNFSTD, UNRFNRE, UNSO, etc.)	6	7	7	6	6
Non-UNDP programmes for which office is responsible (UNFPA, UNIC, WFP, etc.)	10	5	4	13	8
United Nations agency regular programmes and trust fund programmes	5	7	9	11	9
UNDP promotional activities (IDWSSD, TCDC, NGOs, private sector, etc.)	8	8	7	2	6
Aid coordination (United Nations and bilateral)	13	6	3	1	5
Management of special and/or emergency programmes	6	4	3	3	3
Responding to specific requests of United Nations Secretary-General and/or Director-General for Development and International Economic Cooperation	6	2	1	2	3
Other (security matters, support to other field offices, etc.)	5	6	1	11	6
Total	100	100	100	100	100

D. Technical support budgets of the trust funds

65. Sections III.B and C above discuss the delineation of project, programme support and administrative expenditures in relation to the activities of UNDP. This section addresses similar concerns as they apply to certain trust funds administered by UNDP.

66. Within its appropriation structure, UNDP includes distinct appropriations for the resources of certain trust funds administered by UNDP. Currently, these include UNCDF, UNRFNRE/UNFSTD, UNSO, and UNIFEM. The budget of each trust fund, as reviewed and approved by the Governing Council, relates to its operational and administrative activities or, in a certain sense, its core budget. This is consistent with the concept of the UNDP core budget as defined in section III.B. Specific appropriations are requested for each of these trust funds.

67. In addition to a "core" budget, some of the trust funds find it necessary to perform certain technical or programme support or implementation activities. These activities represent a specific claim against the resources of each trust fund and are financed through the use of a technical support budget (sometimes referred to as a programme support budget). By definition, a technical support budget is used to finance a small cadre of technically specialized personnel funded from programme resources. Currently, such personnel are utilized primarily by UNCDF, UNRFNRE, and UNIFEM. These individuals provide project-level technical inputs and represent a consolidation of what would otherwise have been numerous, individual, specialized consultancies charged to a variety of different projects. The concept of the technical support budget for the trust funds is similar in nature, though different in origin and purpose, to the PSDA budget of UNDP discussed in section III.B.

68. The need for UNCDF, UNRFNRE, and UNIFEM to utilize technical personnel arises from the specialized mandates related to the three trust funds. In the case of UNCDF, it is a unique provider of concessional capital assistance in which the recipient Government has primary responsibility for project execution. UNCDF assists in project execution by providing specific technical inputs. Under its mandate, UNIFEM helps provide women with the necessary technical suppport for development activities. In this role, UNIFEM uses NGOs and others to implement projects and, as a result, is often required to assist in providing project-level technical inputs. UNRFNRE is, by definition, an executor of projects and, therefore, needs specialized technical staff.

69. Although the Governing Council is not called upon to approve specific appropriations for the technical support budgets of these three trust funds, the Council has recognized that the technical support budgets represent an additional claim against the resources of each trust fund. In this context, paragraph 23 of Governing Council decision 90/45 of 22 June 1990 requested the Administrator to address the policies regarding the apportionment of administrative costs to the technical support budgets. In responding to this request, and in an effort to address the wider issue of enhanced budgetary transparency and clarity in the delineation of programme support and administrative expenditures, a full review of the technical support budgets was undertaken. The review revealed three areas in which transparency could be improved:

(a) The accounting for technical support budget expenditures should be applied on a consistent basis in the financial statements of UNDP;

(b) Posts funded by the technical support budgets are not consistently identified in the budget document; this diminishes transparency, especially vis-à-vis project-funded posts;

(c) The budgetary accounts differ in that the general operating expenditures associated with the technical support posts are not consistently applied.

70. Against this background, the Administrator proposes a number of changes. First, expenditures under the technical support budget will be clearly identified in the financial statements for each trust fund by a line-item of expenditure entitled "technical support costs". Furthermore, the resource planning tables for each of the trust funds concerned will include a separate resource allocation for the technical support budget. With regard to the second area, all technical support posts now fall under the heading "temporary posts-technical support" (see vol. II). Previously, only UNCDF and UNIFEM posts were listed under various titles. A separate line in volume II under the relevant table will identify the total costs of the technical support budget. Finally, with regard to the third area, the budgetary accounts for each trust fund will be applied on a more consistent basis in that the nature of the general operating expenditures apportioned to the technical support budgets will be defined to include the staff costs plus certain objects of expenditure associated with the technical work performed (please refer to table III.3).

71. The ratio of charges between the administrative budgets and the technical support budgets and the core budgets is in the range of 20 to 25 per cent technical support to 75 to 80 per cent core.

Table III.3. UNDP trust funds: technical support budgets, 1990-1993

(Thousands of US dollars)

	UNCDF		UNIFEM		UNRFNRE	
	1990-1991	1992-1993	1990-1991	1992-1993	1990-1991	1992-1993
A. Cost estimates						
010 Established posts	1 079.0	1 164.8	506.3	608.6	1 016.1	700.5
100 Common staff costs	688.6	728.2	334.2	401.7	618.7	430.6
Subtotal	1 767.6	1 893.0	840.5	1 010.3	1 634.8	1 131.1
030/050 Temp. asst./ overtime	156.0	176.8	21.3	26.0	6.0	0.0
040 Consultants	125.0	150.0	81.2	84.0	80.0	60.0
Subtotal	281.0	326.8	102.5	110.0	86.0	60.0
200 Official travel	54.0	54.0	40.6	60.9	123.0	80.0
300 Contractual services	0.0	6.0	8.2	22.0	0.0	0.0
400 General operating expenses	233.2	213.2	201.3	219.5	59.0	30.0
500 Supplies	8.0	14.0	5.8	9.0	0.0	0.0
600 Furniture/equipment	43.0	58.7	14.5	16.4	0.0	0.0
700 Reimbursement to UNDP	200.0	244.5	155.0	175.0	198.0 a/	170.0 a/
Subtotal	538.2	590.4	425.4	502.8	380.0	280.0
Total, A	2 586.8	2 810.2	1 368.4	1 623.1	2 100.8	1 471.1

/...

Table III.3 (continued)

	UNCDF		UNIFEM		UNRFNRE	
	1990-1991	1992-1993	1990-1991	1992-1993	1990-1991	1992-1993
B. Staffing						
Authorized posts:						
L-7						
L-6	3	3			1	1
L-5	1	1	1	1	4	2
L-4	1	1	2	2		
L-3						
L-2/1						
Subtotal	5	5	3	3	5	3
G-7/6					2	1
G-5/1	6	6	2	3	2	2
Subtotal	6	6	2	3	4	3
Total, B	11	11	5	6	9	6

a/ Includes reimbursement to DTCD for research services.

IV. UNDP REVISED BIENNIAL BUDGET ESTIMATES FOR 1990-1991

A. Financial summary

72. Table IV.1 provides a summary of the revised 1990-1991 gross biennial budget estimates, indicating amounts attributable to various categories of cost increase or decrease.

73. As noted in section I.A, the revised estimates for the 1990-1991 core budget amount to $441.5 million gross and $410.5 million net. The additional amount of $7.2 million or 1.6 per cent over the approved 1990-1991 gross estimates is attributable to cost adjustments of $5.6 million (1.3 per cent), a currency release of $2.4 million (0.6 per cent), and an inflation adjustment of $4.0 million (0.9 per cent). A detailed presentation of the inflation and cost increases is contained in section IV.D.

74. The revised estimates relating to PSDA for the 1990-1991 budget amount to $66.8 million. The additional amount of $5.0 million or 8.2 per cent over the approved 1990-1991 estimates is attributable to a volume increase for OPS and UNV of $1.5 million (2.5 per cent), a cost adjustment of $1.4 million (2.4 per cent), a currency adjustment of $1.5 million (2.5 per cent) and an inflation adjustment of $0.5 million (0.7 per cent). The revised estimates for the trust funds amount to $26.4 million. The additional amount of $0.3 million or 1.0 per cent over the approved 1990-1991 estimates is attributable to a cost adjustment of $0.08 million (0.3 per cent), a currency adjustment of $0.02 million (0.1 per cent) and an inflation adjustment of $0.2 million (0.6 per cent).

75. Details of the cost and inflation adjustments are contained in section IV.D. Table IV.2 provides the revised 1990-1991 biennial budget estimates.

Table IV.1. UNDP: proposed increase/decrease in 1990-1991 gross biennial budget estimates indicating amounts attributable to volume and category of cost

(Thousands of United States dollars)

Source of funds/ apropriation line	1990-1991 original approved appropriations a/	1990-1991 approved appropriations b/	Volume of increase/ decrease	Cost increase/(decrease)				Revised 1990-1991 estimates
				Various cost adjustments	Currency adjustment	Inflation adjustment	Total cost adjustment	
I. RESOURCES OF UNDP								
A. UNDP core activities								
Headquarters	146 061.9	150 127.2	.0	1 012.5	441.9	1 123.8	2 578.2	152 705.4
Field offices	280 376.5	284 177.4	.0	4 563.9	(2 869.1)	2 890.9	4 585.7	288 763.1
Total UNDP core activities	426 438.4	434 304.6	.0	5 576.4	(2 427.2)	4 014.7	7 163.9	441 468.5
B. Programme support and development activities								
Programme development activities	.0	350.0	.0	.0	.0	3.2	3.2	353.2
Project/programme implementation services								
DSS	5 000.0	5 000.0	.0	.0	.0	.0	.0	5 000.0
OPS	23 188.8	25 242.5	649.0	433.5	.0	157.8	591.3	26 482.8
IAPSO	4 187.0	4 446.8	.0	152.6	166.9	30.3	349.8	4 796.6
UNV	20 696.6	24 351.0	904.4	856.4	1 365.6	246.4	2 468.4	27 723.8
National execution	1 400.0	2 400.0	.0	42.6	.0	18.8	61.4	2 461.4

/...

Table IV.1 (continued)

Source of funds/ apropriation line	1990-1991 original approved appropriations a/	1990-1991 approved appropriations b/	Volume of increase/ decrease	Cost increase/(decrease) Various cost adjustments	Currency adjustment	Inflation adjustment	Total cost adjustment	Revised 1990-1991 estimates
Total project/ programme implementation services	54 472.4	61 440.3	1 553.4	1 485.1	1 532.5	453.3	3 470.9	66 464.6
Total programme support and development activities	54 472.4	61 790.3	1 553.4	1 485.1	1 532.5	456.5	3 474.1	66 817.8
Total resources of UNDP	480 910.8	496 094.9	1 553.4	7 061.5	(894.7)	4 471.2	10 638.0	508 286.3
II. RESOURCES OF TRUST FUNDS								
A. UNCDF	9 565.6	9 756.6	.0	21.1	.0	62.2	83.3	9 839.9
B. UNRFNRE and UNFSTD	6 455.0	5 670.6	.0	.0	.0	37.9	37.9	5 708.5
C. UNSO	6 572.2	6 621.4	.0	19.3	21.1	39.6	80.0	6 701.4
D. UNIFEM	3 980.6	4 123.6	.0	44.3	.0	25.5	69.8	4 193.4
Total resources of trust funds	26 573.4	26 172.2	.0	84.7	21.1	165.2	271.0	26 443.2
Total appropriations	507 484.2	522 267.1	1 553.4	7 146.2	(873.6)	4 636.4	10 909.0	534 729.5

a/ Governing Council decision 89/59 of 30 June 1989.

b/ Governing Council decision 90/45 of 22 June 1990.

/...

Table IV.2. UNDP: revised 1990-1991 biennial budget for administrative services, programme support and development activities and trust funds

(Thousands of United States dollars)

	Appropriations (gross/net)
I. GENERAL RESOURCES OF UNDP	
A. UNDP core activities a/	
Headquarters b/	152 705.4
Field office	288 763.1
Total UNDP core activities (gross)	441 468.5
Estimated income c/	30 940.0
Total UNDP core activities (net)	410 528.5
B. Programme support and development activities	
Programme development activities d/	353.2
Project/programme implementation services	
Development support services	5 000.0
Office for Project Services e/	26 482.8
Inter-Agency Procurement Service Office	4 796.6
United Nations Volunteers	27 723.8
National execution f/	2 461.4
Total project/programme implementation services	66 464.6
Total programme support and development activities	66 817.8
C. Total resources of UNDP	
Gross resources	508 286.3
Estimated income c/	30 940.0
Net UNDP resources	477 346.3

Table IV.2 (continued)

	Appropriations (gross/net)
II. RESOURCES OF UNDP TRUST FUNDS	
A. United Nations Capital Development Fund	9 839.9
B. United Nations Revolving Fund for Natural Resources Exploration and United Nations Fund for Science and Technology for Development	5 708.5
C. United Nations Sudano-Sahelian Office g/	6 701.4
D. United Nations Development Fund for Women	4 193.4
Subtotal trust fund resources	26 443.2
III. TOTAL APPROPRIATIONS	
A. Gross appropriations	534 729.5
B. Estimated income c/	30 940.0
C. Net UNDP appropriations	503 789.5

---

a/ The appropriation for UNDP core activities is broken down into those related to the field office network and those related to headquarters. The Administrator is permitted to redeploy between the two lines up to a maximum of 5 per cent.

b/ Includes UNDP contribution to UNDP-United Nations Sudano-Sahelian Office/United Nations Environment Programme joint venture and Consultative Group on International Agricultural Research.

c/ Includes estimated income $30.6 million from host government contributions in cash.

d/ United Nations International Short-term Resources.

e/ Represents UNDP-funded activities only.

f/ Represents headquarters accounting and auditing support costs for national execution projects. See Governing Council decisions 87/14 and 88/18.

g/ Represents activities funded by United Nations Sudano-Sahelian Office only. UNDP-United Nations Sudano-Sahelian Office/United Nations Environment Programme joint venture to be treated as an extrabudgetary activity.

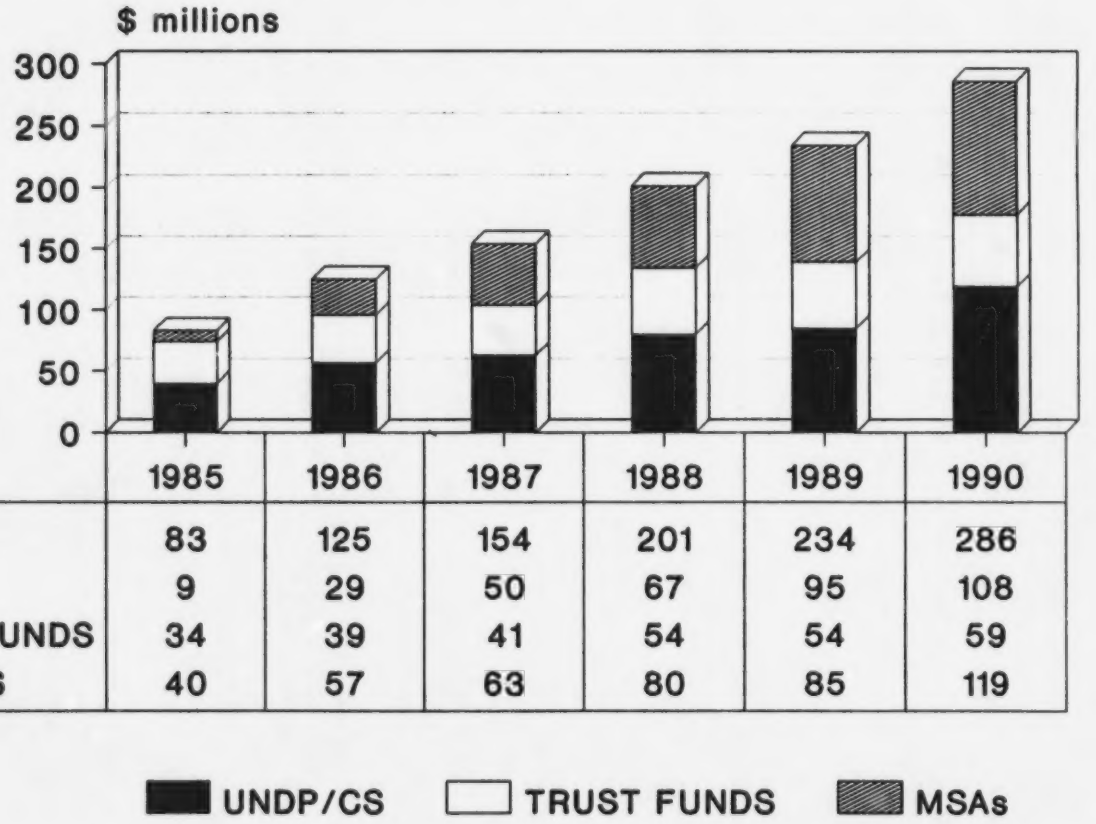
B. Office for Project Services

76. The services provided by OPS continue to be in high demand. This is illustrated in graph I.3. The last in-depth external review of OPS, completed in July 1988, concluded that the appropriate staffing level for OPS was 72 Professionals, 186 staff in total. These levels were indicated on the basis of a delivery in 1987 amounting to $155 million. The year the study was completed, delivery reached $200 million. In 1990, estimated delivery stands at $286 million, or an increase of almost 85 per cent over the 1987 base figure on which the consultants recommended 72 Professional staff in 1988. Compared with this increase in expenditure, these budget estimates provide for increases of 4 Professional and 7 General Service posts. The increase since the implementation of the consultant's report amounts to 9 Professional posts (including the reclassification of 3 General Service) and 8 General Service posts. This represents increases of 12.5 per cent and 7 per cent respectively compared to delivery. The increase in delivery is reflected in other indicators bearing significantly on workload. The number of projects has increased from 974 in 1987 to 1,833 in 1990; the number of project personnel rose from 1,411 in 1987 to 3,768 in 1989.

77. Graph IV.1 illustrates the share of IPF/cost-sharing activities, trust fund activities and management services during the periods 1985-1990. The graph clearly indicates the importance of the growth in OPS services not directly related to UNDP general resources. In 1990, it is estimated that only 41 per cent of OPS delivery related to activities that were financed from UNDP general resources; the remaining 59 per cent related to trust fund activities or management services. It is against this background that the Administrator proposes in section III.A to differentiate more clearly in the appropriation and in the provision of separate tables in volume II between OPS resource requirements funded from UNDP general resources and those financed from extrabudgetary sources. Because of the continuing increase in workload relating to both IPF/cost-sharing and extrabudgetary activities, the Administrator, while conscious of the need to exercise the utmost restraint, has added both regular and extrabudgetary posts. This is in conformity with the authority granted to him in decision 82/31 of 18 June 1982. In both cases, the additional costs can be met by the respective support cost earnings.

78. With respect to the regular budget of OPS, the Administrator has added three Professional posts and three General Service posts. There are at present 50 imprest accounts which are operated in the field by the coordinators of OPS-executed projects. The handling of funds and preparation of monthly accounts requires that these imprest holders and their staff be properly trained. In order to do this and in view of the need to visit field offices for the purpose of solving finance-related problems, the Administrator, on the advice of the Internal Auditors, has established the post of roving finance officer. The Administrator has also added one Professional post of computer systems manager required to enable infrastructure systems and office automation to keep up with OPS growth. A slackening in the automation effort can only serve to compound the increasing pressures on staff. The third post established relates to the need for an executive officer to provide support in the office of the Director of the Office for Project Services. The scope of responsibilities carried by the office make the establishment of this post a cost-effective way of managing the workload. The

OPS: TOTAL PROJECT DELIVERY
BY SOURCE OF FINANCING



	1985	1986	1987	1988	1989	1990
TOTAL	83	125	154	201	234	286
MSAs	9	29	50	67	95	108
TRUST FUNDS	34	39	41	54	54	59
UNDP/CS	40	57	63	80	85	119

/...

General Service posts are for a personnel assistant to screen credentials and assist in the determination of consultant fees and two secretary/assistant posts to support the Planning and Analysis and Finance Sections. Finally, with regard to extrabudgetary posts, the Administrator has established one Professional post and one General Service post related to IFAD, two secretary/assistant posts and one finance clerk post. Since 1989, the base for the last increase, the number of IFAD projects has increased by 39 per cent while delivery has increased by 73 per cent.

79. The Administrator's estimates relating to general operating costs are in line with his staffing proposals. One additional proposal relates to the annual provision under extrabudgetary resources of $600,000 for subcontracted services relating essentially to data entry and other clerical functions. The Administrator has found that this provides an appropriate and cost-effective way of securing support services on demand.

80. The Administrator's proposal to regularize the post of Director of the Office for Project Services at the ASG level and that of Deputy Director at the D-2 level is contained in section VI.B.

C. United Nations Volunteers programme

81. In line with its decision 88/46 of 1 July 1988, the Governing Council approved in 1990 a budget with the three following components:

(a) A core budget for UNV headquarters, amounting to $15 million per year, with a staffing level of 24 Professional and 36 General Service posts, intended to provide policy and operational support to up to 1,000 volunteers in the field;

(b) A supplementary budget for UNV headquarters, funded by means of an annual supplement to the core budget of $3,700 per serving volunteer in excess of 1,000 on 31 December of the previous year;

(c) A field budget, providing for 60 UNV Programme Officers, with an equal number of support staff, to be funded as part of the core budget, at an estimated biennial cost of $3.1 million.

82. The Administrator's revised estimates for the UNV 1990-1991 biennial budget takes into account a total of 2,045 serving volunteers on 31 December 1990, a net increase of 244 volunteers over the previous year, which yields an addition to the supplementary budget of $902,800 (244 x $3,700) in respect of 1991 only, as shown in table IV.3. This has enabled the Administrator to establish a further 3 Professional and 4 General Service posts, bringing the total UNV staffing in Geneva to 35 Professional and 59 General Service posts. Cost adjustments are being applied to the total UNV budget in line with the methodology used for the UNDP core budget, as decribed below.

Table IV.3. Development of United Nations Volunteers budget, 1988-1993

(Thousands of United States dollars)

	1988	1989	1990	1991	1992	1993
United Nations Volunteers a/	1 269	1 534	1 801	2 045	2 045	2 045
I. Financial resources						
Core budget b/	7 950.4	7 707.0	9 661.3	10 440.3	11 158.7	11 410.7
Supplementary budget c/	932.7	1 796.1	3 169.1	4 453.1	4 759.6	4 867.1
Total budget resources available	8 883.1	9 503.1	12 830.4	14 893.4	15 918.3	16 277.8
Expenditures d/	7 250.9	9 857.3	11 625.2	14 744.5	15 759.1	16 115.0
Balance of account	1 632.2	(354.2)	1 205.2	148.9	159.2	162.8
II. Staffing						
A. Headquarters						
Core:						
Professional	24	24	24	24	24	24
Professional (temporary)					1	1
General Service	36	36	36	36	39	39
Supplementary:						
Professional	4	6	8	11	11	11
General Service	4	11	19	23	23	23
Total Professional	28	30	32	35	36	36
Total General Service	40	47	55	59	62	62
Total staffing: headquarters	68	77	87	94	98	98

Table IV.3 (continued)

	1988	1989	1990	1991	1992	1993
B. Field						
UNV Programme Officers	40	40	60	60	60	60
Local support staff	40	40	60	60	60	60
Total staff: field	80	80	120	120	120	120
Total staff: UNV	148	157	207	214	218	218

a/ As at 31 December of preceding year.

b/ For 1988 and 1989: Governing Council decision 88/46 of 1 July 1988 and 89/58 of 30 June 1989. For 1990 and 1991, the Council, in its decision 89/59, approved revaluation of the parameters for the United Nations Volunteers core budget to $17 million for the biennium. Council decision 90/45 approved a total field budget for UNV of $3,100 for 1990-1991, including an additional 20 Programme Officers with an equal number of support staff and associated costs, increasing the UNV core budget to $18.1 million for the biennium.

c/ Extrabudgetary/supplementary budgets for 1988 and 1989: Council decision 88/46. Supplementary budget for 1988/1989 was based on per capita fee of $3,500 per serving volunteer in excess of 1,000 volunteers. Also reflects Council decision 89/59, approving per capita fee of $3,700 per serving volunteer in excess of 1,000 volunteers for 1990-1991.

d/ Expenditures for 1988 and 1989 represent final expenditures as recorded in the Audited Financial Statements. Expenditures for 1990 are based on unaudited data. Expenditures for 1991-1993 are projected amounts based on budgeted levels.

D. Cost adjustments

83. Total cost adjustments for the 1990-1991 biennium amount to $7.2 million in respect of the UNDP core activities or an increase of 1.6 per cent over the current 1990-1991 approved appropriations (Governing Council decision 90/45). This incorporates cost, currency and inflation adjustments.

84. Cost adjustments amount to $5.6 million. This increase incorporates the following:

(a) An increase of $0.9 million as a result of staff costing adjustments. This increase is partly due to the revised salary structure and scales for the Field Service level, which was approved late 1990 with a retroactive implementation date of 1 July 1990;

(b) An increase of $2.8 million relating to the hardship and mobility component of the changes in the conditions of service of staff in the Professional and higher categories as laid out in General Assembly resolutions 44/198 and 44/199 of 21 December 1989. The original estimate presented in document DP/1990/65 was based on the fact that the average staff member is in his/her third assignment in a duty station classified by ICSC as B. This corresponded with an average hardship and mobility allowance of 25 per cent of the net base salary. Further analysis, however, shows that 65 per cent of all staff members are assigned to duty stations which are classified as either C, D or E, with 28 per cent in duty stations classified as C. Consequently, the average hardship and mobility allowance is 32 per cent of the net base salary. This corresponds to the expenditure pattern. In addition, at the time the estimates were provided, it was not known that payments were to be made annually, rather than monthly, giving rise to a deficit of six months in 1990. The five per cent consolidation of post adjustment in base pay scheduled for March 1991, which was approved by General Assembly resolution 45/241 of 21 December 1990, has also been incorporated;

(c) An increase of $0.3 million for education grant and rental subsidy relating to General Assembly resolution 45/241;

(d) A net increase of $0.1 million results from the higher level of reassignments costs ($0.5 million), home leave costs ($0.5 million) offset by lower medical insurance premiums ($0.6 million), and income tax reimbursement ($0.3 million);

(e) An amount of $0.9 million has been included for termination indemnity. This is directly related to the proposed staff reductions included in the 1992-1993 UNDP core headquarters budget. The Administrator anticipates that although the reduction in large part will be achieved through attrition, turn-over, reassignments and a recruitment freeze on headquarters General Service staff, he requires additional funds in the 1990-1991 budget in order to negotiate termination agreements. In this connection, the Administrator plans to obligate the full cost of termination arrangements secured during the course of 1991 against available resources in the 1990-1991 biennial budget;

(f) The sum of $0.6 million has been included to cover non-staff related costs, namely the senior management consultants (see Governing Council decision 90/45 of 22 June 1990) and the obligatory share of UNDP for the costs for the Standing Committee for Programme Matters (decision 91/2 of 22 February 1991) and other jointly financed activities.

85. With regard to currency adjustments, the revised 1990-1991 UNDP core budget estimates take account of the change in currency parities between 1 February 1990, used to formulate the first revision of the 1990-1991 estimates, and 1 February 1991 which forms the basis for these revised estimates. The result is a currency release on the core budget of $2.4 million.

86. As regards inflation relating to the UNDP core budget, an additional increase in headquarters costs amounting to $1.1 million is the result of an increase in projected inflation rates as established by the United Nations (see document A/C.5/45/45). Inflation relating to the field offices shows a net increase of $2.9 million. Taken together, the inflationary adjustment corresponds with an increase in the core budget of $4.0 million or 0.5 per cent per year.

87. With regard to the need to absorb the costs of the reclassifications proposed by the Administrator in document DP/1990/65 and in line with paragraph 11 of decision 90/45, the costs of the reclassifications have been absorbed through the freezing of posts in conjunction with the budget reductions proposed for 1992-1993.

88. Income estimates relating to government local office cost contributions have been increased by $1.0 million, representing the current assessment based on actual performance.

89. The Administrator has reviewed the non-core units in a similar way and the results are reflected in table I.

V. BIENNIAL BUDGET ESTIMATES FOR 1992-1993: CORE BUDGET

A. Financial summary

90. Table V.1 provides a summary of the 1992-1993 gross biennial budget estimates, indicating amounts attributable to various categories of cost increase or decrease.

91. As noted in section I.A, the 1992-1993 budget estimates for the core budget amount to $482 million gross and $450 million net. The sum of $333.8 million gross relates to the field while $148.2 million relates to headquarters. Total growth in the core budget amounts to $40.5 million or 9.2 per cent over the proposed revised 1990-1991 estimates.

Table V.1. UNDP: summary of proposed increase/decrease in 1992-1993 gross biennial budget estimates indicating amounts attributable to volume and category of cost

(Thousands of United States dollars)

Source of funds/ apropriation line	Revised 1990-1991 estimates	Volume of increase/ decrease	Cost increase/decrease					1992-1993 estimates
			Various cost adjustments	Currency adjustment	Inflation adjustment	Total cost adjustment	Total increase (decrease)	
I. RESOURCES OF UNDP								
A. UNDP core activities								
Headquarters	152 705.4	(20 720.4)	3 032.6	145.0	13 032.0	16 209.6	(4 510.8)	148 194.6
Field offices	288 763.1	(5 568.8)	5 604.2	(329.6)	45 312.1	50 586.7	45 017.9	333 781.0
Total UNDP core activities	441 468.5	(26 289.2)	8 636.8	(184.6)	58 344.1	66 796.3	40 507.1	481 975.6
B. Programme support and development activities a/								
Programme development activities	353.2	18 685.6	.0	.0	1 627.4	1 627.4	20 313.0	20 666.2
Project/programme implementation services								
DSS	5 000.0	.0	.0	.0	788.7	788.7	788.7	5 788.7
OPS	26 482.8	649.0	927.8	.0	2 678.1	3 605.9	4 254.9	30 737.7
IAPSO	4 796.6	83.6	466.3	87.9	512.1	1 066.3	1 149.9	5 946.5
UNV	27 723.8	1 168.5	749.0	633.2	1 921.6	3 303.8	4 472.3	32 196.1
National execution	2 461.4	.0	12.0	.0	242.3	254.3	254.3	2 715.7
Total project/programme implementation services	66 464.6	1 901.1	2 155.1	721.1	6 142.8	9 019.0	10 920.1	77 384.7

.../

Table V.1 (continued)

Source of funds/ apropriation line	Revised 1990-1991 estimates	Volume of increase/ decrease	Cost increase/decrease: Various cost adjustments	Currency adjustment	Inflation adjustment	Total cost adjustment	Total increase (decrease)	1992-1993 estimates
Programme support b/	.0	2 300.0	.0	.0	.0	.0	2 300.0	2 300.0
Total programme support and development activities	66 817.8	22 886.7	2 155.1	721.1	7 770.2	10 646.4	33 533.1	100 350.9
Total resources of UNDP	508 286.3	(3 402.5)	10 791.9	536.5	66 114.3	77 442.7	74 040.2	582 326.5
II. RESOURCES OF TRUST FUNDS								
A. UNCDF	9 839.9	(261.3)	332.6	.0	915.2	1 247.8	986.5	10 826.4
B. UNRFNRE and UNFSTD	5 708.5	(1 247.5)	(316.4)	.0	407.1	90.7	(1 156.8)	4 551.7
C. UNSO	6 701.4	117.1	575.2	3.1	776.4	1 354.7	1 471.8	8 173.2
D. UNIFEM	4 193.4	363.0	413.5	.0	438.6	852.1	1 215.1	5 408.5
Subtotal resources of trust funds	26 443.2	(1 028.7)	1 004.9	3.1	2 537.3	3 545.3	2 516.6	28 959.8
Total appropriations	534 729.5	(4 431.2)	11 796.8	539.6	68 651.6	80 988.0	76 556.8	611 286.3

a/ Includes headquarters: human development, environment and natural resources, private sector and technology, public sector management, TCDC/INRES, and field office economists (the latter representing $7.5 million).

b/ Represents UNDP contribution to CGIAR and UNDP-UNSO/UNEP joint venture.

/...

92. The total volume reduction in the core budget amounts to $26.3 million. This reduction is comprised of the following elements:

(a) Headquarters:

(i) Volume reduction of $13.7 million at headquarters;

(ii) Transfer of $4.8 million from headquarters core budget to PSDA;

(iii) Transfer of $2.2 million related to CGIAR and UNSO-UNEP joint venture to PSDA;

(b) Field:

(i) Transfer of $7.5 million relating to field economists from core budget to PSDA;

(ii) Volume increase of $1.9 million in core budget, of which $1 million relates to training requirements.

93. The estimates incorporate: (a) a cost adjustment of $8.6 million or 2.1 per cent over the proposed 1990-1991 estimates adjusted for the volume decrease; (b) a currency release of $0.2 million; and (c) an inflation amounting to $58.3 million or 6.7 per cent per year. Further details relating to the adjustments are incorporated in sections V.C and V.D.

94. The 1992-1993 budget estimates for PSDA amount to $100.4 million. This includes the following major elements:

(a) Programme development activities. Programme development activities at 1990-1991 prices amount to $19.0 million. This includes $4.8 million of transfer from the headquarters core budget, $7.5 million of transfer from the field core budget, $5.9 million of transfer from the SPR, $0.5 million of transfer from global funds and $0.3 million relating to UNISTAR, which was already in the base. The $18.7 million shown as a volume increase, in fact represents a transfer of resources. In terms of UNDP general resources, as a whole, it corresponds with zero volume growth;

(b) Project/programme implementation:

(i) A volume growth of $0.6 million is registered for OPS. This reflects technical volume growth related to the one-year volume growth incorporated in the 1990-1991 base;

(ii) A volume growth of $1.2 million is reflected for UNV. This includes a technical volume growth amounting to $0.9 million relating to the one-year volume growth incorporated in the 1990-1991 base;

(c) Programme support. Programme support amounts to $2.3 million. This represents the transfers of CGIAR and the UNSO-UNEP joint venture from the core budget, including an actual volume increase of $0.1 million relating to CGIAR.

95. The estimates for PSDA incorporate: (a) a cost adjustment of $2.2 million or 2.4 per cent over the proposed revised 1990-1991 estimates adjusted for the volume increase; (b) a currency adjustment of $0.7 million; and (c) inflation of $7.8 million or 4.1 per cent per year.

96. The 1992-1993 budget estimates for the trust funds amount to $28.9 million. This incorporates a net volume reduction of $1 million, a cost increase of $1 million and an inflation adjustment of $2.5 million. The total impact on the budget is $2.5 million.

97. Details of the cost and inflation adjustments are contained in section V.D. Table V.2 provides the proposed 1992-1993 biennial budget estimates.

Table V.2. UNDP 1992-1993 biennial budget for administrative services, programme support and development activities and trust funds

(Thousands of United States dollars)

	Appropriations (gross/net)
I. GENERAL RESOURCES OF UNDP	
A. UNDP core activities a/	
Headquarters	148 194.6
Field office	333 781.0
Total UNDP core activities (gross)	481 975.6
Estimated income b/	32 000.0
Total UNDP core activities (net)	449 975.6
B. Programme support and development activities	
Programme development activities c/	20 666.2
Project/programme implementation services	
Development support services	5 788.7
Office for Project Services d/	30 737.7
Inter-Agency Procurement Service Office	5 946.5
United Nations Volunteers	32 196.1
National execution e/	2 715.7
Total project/programme implementation services	77 384.7
Programme support f/	2 300.0
Total programme support and development activities	100 350.9
C. Total resources of UNDP	
Gross resources	582 326.5
Estimated income b/	32 000.0
Net UNDP resources	550 326.5

Table V.2 (continued)

		Appropriations (gross/net)
II.	RESOURCES OF TRUST FUNDS	
	A. United Nations Capital Development Fund	10 826.4
	B. United Nations Revolving Fund for Natural Resources Exploration and United Nations Fund for Science and Technology for Development	4 551.7
	C. United Nations Sudano-Sahelian Office	8 173.2
	D. United Nations Development Fund for Women	5 408.5
	Subtotal trust fund resources	28 959.8
III.	TOTAL APPROPRIATIONS	
	A. Gross appropriations	611 286.3
	B. Estimated income b/	32 000.0
	C. Net UNDP appropriations	579 286.3

---

a/ The appropriation for UNDP core activities is broken down into those related to the field office network and those related to headquarters. The Administrator is permitted to redeploy between the two lines up to a maximum of 5 per cent.

b/ Includes estimated income of $31.6 million from host government contributions in cash.

c/ Human development, environment and natural resources, private sector and technology, public sector management, Technical Cooperation among Developing Countries/Information Referral System, Consultative Group on International Agricultural Research and economists.

d/ Represents UNDP-funded activities only.

e/ Represents headquarters accounting and auditing support costs for national execution projects. See Governing Council decisions 87/14 and 88/18.

f/ Represents UNDP contribution to Consultative Group on International Agricultural Research and UNDP-United Nations Sudano-Sahelian Office/United Nations Environment Programme joint venture.

B. Headquarters

1. Staffing

98. The overall budget strategy underlying the reduction in headquarters posts is presented in section I.B. Each senior manager was requested to review the implications of a 15 per cent post reduction. The target was set in dollar terms and managers were requested to analyse existing management and business practices. An underlying assumption was that in many cases ways of doing business would have to change in order to implement the reductions. The challenge set was to consider the need for reductions as an opportunity to rationalize, simplify and restructure - in sum, to become more cost-effective.

99. Two major initiatives in process already in 1990 must be understood as integral to the implementation of the reductions. These relate to the analysis of administrative business functions being undertaken in the context of the Integrated Administrative Systems Project and a parallel study being conducted by an in-house task force on programme-related business functions. Both studies are expected to lead to the identification of possible redundant and duplicative processes and thus to the opportunity for further rationalization. On the basis of these improved business practices, it is expected that decentralization can be further pursued. This decentralization, however, must be based on improved practices; it must also follow rationalization. Redundant and duplicative processes, however, cannot simply be offloaded onto field offices. The economies expected from the two major initiatives on both the administrative and programme sides, to a large extent, underpin managers' proposals on how to implement the reductions.

100. Table V.3 provides an overview of the post reductions by major unit and grade of post. It includes a summary of both reductions and reclassifications. In this regard, and in the spirit of paragraph 11 of decision 90/45, managers were encouraged to review the classification of posts in the context of this restructuring so long as any financial implications were incorporated within the financial target set. The concern expressed by the Governing Council regarding the ratio of Professional to General Service staff was also brought to the attention of managers. In a number of cases, this issue has been specifically addressed. The restructuring initiatives that have taken place in BPPE, the Geneva Office, and RBAP provide good examples. In other cases, such as OPS and UNV, it is clear that many of the General Service staff perform essentially para-professional work that enhances the effectiveness and efficiency of the organizations concerned. The Administrator will continue to keep the overall issue under review.

101. The principal strategies underlying the reductions are highlighted below.

Table V.3. UNDP core budget: proposed staff reductions and reclassifications, 1992-1993

	ASG	D-2	D-1	P-5	P-4	P-3	P-2/P-1	Total Professional	General Service Principal levels	General Service Other levels	Total General Service	Grand total
I. DP/1990/65: 1990-1991	9	21	41	75	57	46	11	260	129	264	393	653
II. PROPOSED REDUCTION OF POSTS, 1992-1993												
DOP					(2)	(2)		(4)	(2)	(4)	(6)	(10)
DAMR						(1)		(1)	(1)	(1)	(2)	(3)
PCO a/				(1)				(1)		(2)	(2)	(3)
DGIP				(1)				(1)			(0)	(1)
TCDC b/		(1)	(1)	(2)	(2)	(1)		(7)	(1)	(7)	(8)	(15)
DER						(1)		(1)			(0)	(1)
BPPE b/		(2)		1	(4)			(5)		(10)	(10)	(15)
BFA/OAA								0		(1)	(1)	(1)
DOF			(1)	(1)		(2)		(4)	(6)	(5)	(11)	(15)
DAMS							(1)	(1)	(2)	(7)	(9)	(10)
DMIS				(1)		(2)	(2)	(5)			0	(5)
BRESA/DOI				(1)			(1)	(2)		(2)	(2)	(4)
GENEVA (UNDP)								0	(3)	(2)	(5)	(5)
RBA				(4)		(2)		(6)		(6)	(6)	(12)
RBASE					1	(2)		(1)		(3)	(3)	(4)
RBAP			(1)	(3)	(1)	3		(2)	3	(8)	(5)	(7)
RBLAC				(1)		(1)		(2)		(3)	(3)	(5)
Total, reduction	0	(3) c/	(3)	(14)	(8)	(11)	(4)	(43)	(12)	(61)	(73)	(116)

.../

Table V.3 (continued)

	AAAS	D-2	D-1	P-5	P-4	P-3	P-2/ P-1	Total Profes- sional	General Service Principal levels	General Service Other levels	Total General Service	Grand total
III. PROPOSED RECLASSIFICATION OF POSTS, 1992-1993												
DOP				3	(3)			0	2	(2)	0	0
PCO				(1)		1		0			0	0
DER			1	(1)				0			0	0
DOF								0	2	(2)	0	0
DAMS								0	1	(1)	0	0
DMIS								0	1	(1)	0	0
BPPE							1	1		(1)	(1)	0
RBAP								0	1	(1)	0	0
RBASE			1		(1)			0			0	0
RBLAC								0	2	(2)	0	0
Total, proposed reclassification	0	0	2	1	(4)	1	1	1	9	(10)	(1)	0
Total, proposed adjustments	0	(3)	(1)	(13)	(12)	(10)	(3)	(42)	(3)	(71)	(74)	(116)
IV. PROPOSED STAFFING, 1992-1993	9	18	40	62	45	36	8	218	126	193	319	537

a/ Posts for POWER PPMS (P-5 and G-5) transferred to field office (non-specific).

b/ Includes both reduction and transfer of posts to PSDA.

c/ Three D-2 posts relate to transfers.

Bureau for Programme, Policy and Evaluation

102. The Administrator's proposals reflect a major restructuring of the Technical Advisory Division, the Division for Non-Governmental Organizations, the Division for Women in Development and the Division for Private Sector in Development. The restructuring proposal includes the use of the programme development activities segment of the appropriation to fund developmental and thematic activities as explained in section III.B. The full proposal is presented in section VI.A. The impact of the restructuring on the core budget is reflected in table V.4. However, the total impact of the Administrator's proposal must take into account his proposals relating to funding from the PSDA, as presented in section VI.A.

103. The restructuring will lead to the creation of a Programme Support and Development Division, comprising four clusters:

(a) Human development;

(b) Environment and natural resources;

(c) Technology and private sector development;

(d) Public sector management.

104. The Deputy Assistant Administrator and Deputy Director, BPPE, will be directly responsible for the human development cluster. The Administrator believes that the organization of these activities into four clusters is responsive to Governing Council decision 90/34 and will rationalize current arrangements while promoting greater synergy. The restructuring proposals, initiated by the Assistant Administrator and Director, BPPE, in conjunction with the budget targets, are to some extent consistent with the recommendations of the management consultants' report on the senior management structure.

Table V.4. Bureau for Programme Policy and Evaluation: proposed core post changes

Unit	Professional posts			General Service posts		
	Authorized posts per DP/1990/65	Proposed posts per DP/1991/49	Change a/	Authorized posts per DP/1990/65	Proposed posts per DP/1991/49	Change b/
Office of the Assistant Administrator	2	2	0	2	1	(1)
Technical Advisory Division c/	13	16	3	9	8	(1)
Policy Division	6	6	0	6	4	(2)
Documentation and Statistics Office	4	4	0	10	9	(1)
Investment Development Office (IDO)	2	0	(2)	2	0	(2)
Central Evaluation Office	5	5	0	4	4	0
Division for Non-Governmental Organizations	2	0	(2)	2	0	(2)
Division for Women in Development	3	0	(3)	2	0	(2)
Total	37	33	(4)	37	26	(11)

a/ Represents a transfer to PSDA.

b/ Of the 11 posts, there would be a reduction of eight and a transfer of three to PSDA.

c/ To be renamed Programme Support and Development Division.

The Regional Bureaux

105. The strategy underlying the reductions implemented by the Regional Bureaux is based on principles of effective decentralization. The Administrator's views relating to the implications for the Regional Bureaux of strategic decentralization are contained in his comments on the management consultants' report on the senior management structure. Detailed findings and proposals are expected to result from the work of the task force on programme-related business functions.

106. The Bureaux have implemented the reductions in a number of ways, reflecting their very different circumstances. In the case of RBLAC, the growth of extrabudgetary activities in the field has generated sufficient extrabudgetary income to offset, to a large extent, the reduction in core posts. In 1990, while country IPF delivery in the Latin American region amounted to $68.2 million, the sum of $115.9 million (cost-sharing: $60.8 million; MSA: $16.0 million; UNFDAC: $23.3 million; other trust funds: $15.8 million) was implemented in the form of extrabudgetary activities.

107. The reductions implemented by RBASE do not take into account developments in the eastern part of Europe and the consequent need for a strengthening of the Division for Europe from two to three core professional staff. The post of Chief of the Division has been upgraded from P-5 to D-1.

The Bureau for Finance and Administration

108. The largest reductions in absolute terms are being implemented by BFA. The Integrated Administrative Systems project is indispensable to identifying areas where duplicative and redundant processes can be eliminated, where existing procedures can be rationalized, and where improved processes can be decentralized.

109. In DOF, the posts of Deputy Director of Finance at the D-1 level and Deputy Chief of Accounts at the P-5 level are being eliminated. This is in line with the comments contained in the Senior Management Study on the role of deputies. Other reductions are directly related to the introduction of computerized processes and rationalized procedures. In the case of DAMs, a restructuring of the Communications and Records Services Section and the Maintenance and Operations Service Section will improve cost-effectiveness.

UNDP Office at Geneva

110. A significant opportunity for cost-savings relates to the arrangements existing in Geneva as they concern the provision of administrative services. Under current arrangements, administration is located in three separate places - the UNDP Office at Geneva, the United Nations Volunteers and the United Nations Office at Geneva (UNOG). Current procedures in some cases lead to triplicate processes as paper work is first prepared by UNV, then processed through the UNDP Office at Geneva, and finally acted upon by UNOG.

111. The Administrator is proposing a complete rationalization of the provision of administrative services in Geneva. The underlying principle is to centralize the administrative service function with UNV, the organization which has a clear comparative advantage in the provision of such services with resulting substantial economies of scale. The most evident advantage is that UNV is already endowed with an administrative and finance section headed at the P-5 level. UNV would be given the authority to disburse funds in the same way as any UNDP field office; this delegation of financial authority to UNV alleviates work in UNDP headquarters, eliminates unnecessary paper work both in UNV and the UNDP Office at Geneva and reduces the level of services currently provided by UNOG.

112. It should be noted that the current proposal reflects a historical evolution. The role of the UNDP Office at Geneva as a focal point to provide administrative services was conceived at a time when the European programme was run out of Geneva, IAPSO was located in Geneva, and UNV was a relatively small operation. Currently, the European programme is run out of New York, IAPSO is located in Copenhagen and UNV has grown significantly. The current proposals do not therefore relate to the logic of a previous arrangement but seek to address the reality of changed circumstances.

113. The full financial implications for UNV are detailed in section VI.C below. The financial implications for UNDP can be summarized as follows:

	1992-1993
	$
Reduction in five General Service posts	690 000
Savings in general operating expenditures	695 000
Savings in payments to UNOG a/	300 000
Saving in reimbursement from UNV to UNDP Office at Geneva	477 800
Total	2 162 800

a/ Reimbursement to the United Nations reflected in table 3-1A.3a.

114. In summary, total savings in relation to total expenditures being incurred by the UNDP Office at Geneva are estimated at around $2.2 million. With regard to the impact on the core UNDP budget, a savings of $1.7 million is reflected in these budget estimates (the first three items above). It should be noted that these savings have been achieved without in any way affecting the substantive functions of the Office.

Division of Personnel

115. The Administrator proposes to restructure DOP into four sections. His proposals rationalize the distribution of functions by, in particular, combining the current Staff Development and Placement Section, the Recruitment Section and Headquarters General Service Section into a Staffing Section. The three other sections would be Training, Conditions of Service and Personnel Systems, and Administration. In addition, there is the Legal Unit.

116. The underlying rationale behind the creation of the Staffing Section is, in principle, to enable DOP to provide direct, comprehensive and coordinated service. The Staffing Section would consist of four staffing teams, each team with one team leader at the P-5 level, a staffing specialist at the P-4/3 level and support staff. DOP serves some 950 internationally recruited Professionals, 300 Junior Professional Officers and 700 headquarters General Service staff. The restructuring proposals include some reclassification proposals. The proposal includes the reclassification of three budgetary and one extrabudgetary posts to the P-5 level, and three extrabudgetary posts to the P-4 level. The consolidation of the Staff Development and Placement and Recruitment Sections has released a D-1 post, which has been redeployed to the Chief of Training post, upgraded from the P-5 level. Finally, it should be noted that two new extrabudgetary Professional posts are to be established, one to strengthen the Legal Unit and the other the Training Section. In both cases, the workload generated by non-core activities in these specific areas justifies these additional posts.

Summary

117. A review of the principles underlying the post reductions and their implementation reveals that the required reductions have been achieved to a large extent through restructuring and rationalization, leading to increased cost-effectiveness and economies of scale. The Administrator is confident that the current reviews of business processes on both the administrative and programme sides will enable these reductions to be implemented successfully.

2. Computer strategy

118. Against a background of rapid and constant change in the computer industry, UNDP has endeavoured to apply the technology available to the work of the Organization bearing in mind financial constraints. As a result, UNDP has passed through certain phases in its computerization process. Prior to 1980, the UNDP informational database was stored on a mainframe computer operated under the auspices of the United Nations New York Computer Services (NYCS) and the International Computer Centre (ICC) in Geneva. Only a few personal computers (PC) were available to staff and, as a result, independent access and modification of data was not possible. Modifications or updates of the database could be performed only through the use of a third-party intermediary between the UNDP user and the NYCS mainframe.

119. As the volume and complexity of the UNDP programme increased, it became apparent that UNDP had to improve its computer capabilities and develop software systems such as the Automated Field Office Accounting Systems (AFOAS) and the Programme Operations Workbench and Reporting Prototype (POWER), which could fulfil specific needs and operate independently from NYCS and ICC. From 1985 and through the two bienniums 1986-1989, UNDP made an extensive effort to upgrade its computer resources by increasing the capacity of its mainframe computer and by purchasing PCs which would be available to the staff on an individual basis. The PCs acquired had sufficient capacity to enable them to communicate with the UNDP mainframe, the NYCS and ICC mainframes, to communicate with each other and to share data through the use of local area networks (LANS). This facilitated independent analysis and modification of data and eliminated much of the need to work through third parties. During 1988-1989, UNDP upgraded the capacity of its mainframe computer which allowed for migration away from the NYCS mainframe computer, thereby allowing UNDP to perform nearly all computer operations independently of NYCS.

120. Despite these extensive efforts to keep pace with the rapid changes in computer technology, by 1989 UNDP management became concerned that its disparate information systems were duplicative, outdated and contained serious inadequacies, especially in the area of financial systems. As a result, UNDP decided in early 1989 to proceed with a review of its financial systems (the Financial System Review Project (FSRP)). Early in 1989, UNDP management agreed to expand the scope of its information systems review to include the areas of personnel and administration. Key factors contributing to the decision to expand the FSRP into an Integrated Administrative Systems Project (IAS) included the following:

(a) An emerging consensus that the current portfolio of fragmented informations systems work poorly together, take excessive effort to reconcile, and are generally incapable of providing timely or integrated informations needed to support UNDP business functions;

(b) A United Nations request to UNDP and other United Nations agencies to articulate their requirements for a new United Nations operated payroll system to service the payroll needs for all United Nations agencies;

(c) A cooperation agreement reached between the United Nations Secretariat (the Integrated Management Information System project (IMIS)) and UNDP (IAS) to discuss a strategy for developing common integrated solutions that satisfy the needs of both, thereby saving the costs of developing two separate and potentially incompatible solutions.

121. Thus, as the 1990-1991 biennium got under way, UNDP management concentrated its attention in two main areas. First, an external consulting firm with the requisite expertise had to be identified and engaged to review the requirements of an IAS system. This was accomplished by mid-1990. Second, improvements to existing systems had to be maintained.

122. As a result, efforts were made to enhance the computer network by utilizing communications links between file servers so that data could be freely accessed from various locations. Further noteworthy improvements include:

(a) A one-to-one ratio of PC to staff is close to being achieved at headquarters and communications have been greatly improved between headquarters and the field by the use of the electronic mail facility;

(b) Excellent strides have been made in the implementation of the AFOAS system with 105 field offices (92 per cent) now able to directly enter data into AFOAS, thus eliminating the former manual systems;

(c) The Turbo PPMS system has evolved into the POWER system, which is now being developed as a prototype in the Indonesia field office. The Indonesia field office was selected because of the size and complexity of programme activities and the availability of computing facilities. Close interaction with the field programme staff in designing the system will enable it to meet the full range of programme management requirements of a field office.

123. The groundwork laid in 1990-1991 means that UNDP has taken significant steps in establishing a technological platform for the future. What that future will look like depends to a large extent upon the timing and direction of the IMIS/IAS projects.

124. Thus, the computer strategy as reflected in the 1992-1993 budget has three main components: (a) the continued enhancement of existing software systems (POWER, AFOAS, etc.); (b) continued support work related to IAS, pending decisions on the IAS report; and (c) increased application of newer technology which emphasizes the use of database file servers rather than the mainframe.

125. The first component of the strategy is straightforward. The second part is more difficult to articulate since the recommendations of the consultants were not available at the time the budget documen. was finalized. UNDP will cooperate closely with the IMIS project in order to avoid duplication and to identify areas of commonality. Until this work is finalized, only a maintenance level of funding has been included in the 1992-1993 biennial budget estimates for IAS. As reported earlier to the Governing Council, when the IAS project moves forward, a revised submission for funding may have to be submitted to the Council in 1992 in the context of the revised budget estimates for 1992-1993, if necessary and appropriate. The third component of the strategy will start by mid-1992 when the UNDP lease on its mainframe computer expires. UNDP will purchase the mainframe for the residual value and continue to use it for the continuation of existing programmes. Replacement of the current mainframe applications by IMIS/IAS will take place from 1991 to 1995 through the implementation of new technology.

126. Under the new technology, database file servers will supersede the mainframe. The server technology will be introduced in 1991 and will grow significantly in 1992-1993. Through the use of database file servers attached to LANS, field office systems and IMIS/IAS systems can be integrated by sharing a common database. Under this strategy, LAN-based personal computer servers will meet field office requirements. Headquarters, with substantially heavier database needs, will require more powerful equipment. Headquarters database file server technology, owned and operated by UNDP, will be funded from the savings gained by the non-renewal of the mainframe lease. Another key element of the strategy in the

implementation of IMIS/IAS systems is the acquisition of compatible database software technology which is necessary to operate the file server hardware. The objective is to fund this also from savings gained by the migration away from mainframe technology. Finally, desktop equipment will play a principal role in execution of IMIS/IAS and POWER procedures. Upgrading will be required and can be achieved through implementation of a four-year obsolescence policy. Funding for replacement of personal computers at headquarters has been included in the budget based upon this planned obsolescence policy.

C. Field

Staffing

127. In the course of preparing his 1992-1993 budget estimates, the Administrator again requested all Resident Representatives to define and fully justify pressing requirements which they considered essential to the proper functioning of their offices. In reviewing the requests, the Administrator has taken into account that a general strengthening of field offices took place during the previous two bienniums. Consequently, and with the exception of those in Europe, the Administrator is applying a highly restrictive policy and is limiting his proposals to field offices with very specific needs. In most cases, these are associated with a substantial increase in IPF resources in the fifth programming cycle. Table V.5 summarises the net result of staff changes in the respective regions.

Table V.5. Net result of proposed changes in UNDP field office staffing, 1990-1993 a/

Region	1990-1991 authorized staff				1992-1993 proposed change				1992-1993 proposed staff			
	International		Local		International		Local		International		Local	
	P	FSL	LNO	GS	P	FSL	LNO	GS	P	FSL	LNO	GS
Africa	186	23	149	1 167	5	(4)	14	31	191	19	163	1 198
Asia and the Pacific	115	19	110	815	3	(3)	4	(18)	118	16	114	797
Latin America and the Caribbean	54	1	59	385	1	(1)	0	0	55	0	59	385
Arab States	54	7	45	389	(3)	(1)	3	(21)	51	6	48	368
Europe	7	0	6	47	4	0	6	21	11	0	12	68
Non-specific to countries	21	5	0	1	1	0	0	1	22	5	0	2
Total	437	55	369	2 804	11	(9)	27	14	448	46	396	2 818

a/ Excludes emergency and economist posts.

Africa region

128. The fifth programming cycle country IPFs combined show an increase of more than $400 million. The IPFs of Nigeria, the United Republic of Tanzania, Sierra Leone, Gambia and Uganda together almost double from $183 million in the fourth cycle to $361 million in the fifth cycle. The necessary strengthening of the offices in these countries accounts for 93 per cent of the total staff increase for the region as a whole. With regard to international staff, four FSL (finance) posts are proposed for conversion to a P-2/P-3 level post of administrative officer. These conversions have no significant financial impact.

Arab States region

129. The overall decrease in staff resources is the result of the closure of the field office in Aden after the unification of the Yemen Arab Republic and the People's Democratic Republic of Yemen took effect. The fifty cycle country IPFs combined remain approximately the same.

Europe

130. It is the intention of the Administrator that UNDP should be able to be an active partner of countries of Central and Eastern Europe as they request additional technical cooperation to facilitate, in particular, their transition to a market economy. Consequently, the Administrator has, upon the request of and in consultation with the Governments of Poland, Albania and Bulgaria, agreed to set up small offices in the respective capitals. The professional staffing envisaged is one Professional and two LNOs for Poland; two Professionals and two LNOs for Albania, one Professional and two LNOs for Bulgaria. In addition, a programme officer post in Turkey will be relocated to Yugoslavia to serve as a roving programme officer for the region. The Administrator believes that this is the minimum capacity required to allow UNDP to play an active role in Europe and be responsive to the changes and developments taking place in the region.

Asia and the Pacific region

131. The fifth programming cycle country IPFs combined show an increase of more than $140 million. The Cambodia programme is expected to become fully operational; in addition to the fact that its fifth cycle IPF ($41.3 million) is almost three times its fourth cycle IPF, an amount of $53 million remains as an unprogrammed balance of previous cycles. Against this background, it is proposed that the number of Professional posts be increased from four to seven. This increase is largely accommodated by the redeployment of posts from within the region and offset by a release of three FSL posts. The small increase in LNO posts is more than offset by the release of GS posts.

Latin America and the Caribbean

132. Except for one conversion of an FSL (finance) post to a P-2/P-3 level post of programme officer, no overall changes are proposed. Specific requirements have all been accommodated by the redeployment of posts from within the region. The fifth cycle country IPFs combined remain approximately the same.

Non-specific to countries

133. The proposed change reflects the transfer of two existing posts (one Professional and one General Service) from the headquarters to the field appropriation line. Both posts relate to the development of an enhanced programme and project management information system (POWER) for the field offices.

134. Several years ago, the concept of temporary emergency posts was introduced. These posts are temporary in nature for the offices to which they are assigned and are designed to respond to specific, short-term needs. It was indicated at the time that the overall number of such posts and their deployment would vary over time in accordance with actual requirements. This element of field office staffing is therefore reviewed from time to time. The Administrator proposes to maintain the total number of 16 posts which are presently assigned as follows: Angola (1), Cameroon (1), Chad (1), Ethiopia (2), Mozambique (4), Somalia (2), Sudan (2), Afghanistan (1), El Salvador (1) and Nicaragua (1).

135. In section III.C, the Administrator has made a proposal with regard to a transfer of the 27 senior economist posts in the field to the PSDA appropriation line.

D. Cost and volume adjustments

136. The estimates incorporate a cost adjustment of $8.6 million or 2.1 per cent over the proposed 1990-1991 estimates adjusted for the volume decrease, a currency release of $0.2 million, and inflation amounting to $58.3 million, which represents 14.1 per cent on the biennial base or 6.7 per cent per year.

137. The estimates incorporate cost adjustments of $8.6 million, representing the following items:

(a) An increase of $1.2 million, which is a technical adjustment to incorporate the additional six months of costs due to the 1 July 1990 implementation date of the changes in the conditions of service of staff in the Professional and higher categories as laid out in General Assembly resolutions 44/198 and 44/199 and those related to the FSL category;

(b) Reclassification of posts accounts for $0.1 million, as detailed in table V.3;

(c) An increase of $6.7 million for the normal within-grade increment for headquarters and field office staff;

(d) An increase of $0.3 million for education grant and rental subsidy as well as an increase of $0.3 million in hardship and mobility relating to General Assembly resolution 45/241. This decision was implemented only in 1991 and therefore must be carried into the first year of the second biennium as a cost element;

(e) Increase in the Representation allowance in the field for Resident Representatives accounts for $0.1 million. Representation allowance has remained at the same rate since 1983 and is now being aligned with rates paid in the United Nations system;

(f) A net decrease of $0.1 million has been included to cover non-staff-related costs, namely a decrease in the amount of $0.3 million covering the management consultants' report on the senior management structure (see Governing Council decision 90/45) and an increase of $0.2 million covering the second year of the obligatory share of UNDP for the costs for the Standing Committee for Programme Matters (Governing Council decision 91/2).

138. With regard to currency adjustments, the 1992-1993 UNDP core budget estimates are only being adjusted for the first year of the biennium as explained in Chapter II Methodology. The result is a currency release on the core budget of $0.2 million.

139. The 1992-1993 inflation adjustment figure of $58.3 million represents the full impact of applying the Administrator's inflation projections to bring the 1992-1993 base, which is expressed at revised 1990-1991 prices up to 1992-1993 prices. This represents an increase of 6.7 per cent per year globally, or 4.8 per cent at headquarters and 7.7 per cent in the field.

Other volume

140. The Administrator has incorporated an additional $1 million in the 1992-1993 budget estimates as a volume increase for training. The total training budget at 1992-1993 prices will amount to $7.9 million. The direction provided by Governing Council decision 90/34, together with the need for staff retraining in conjunction with the budget reductions, provides the background and rationale for this proposal.

141. Other volume adjustments relating to general operating expenses are explained in detail in volume II. The Administrator's management information strategy is laid out in chapter V and the requirements of DMIS are detailed in table 3-1A.3d in volume II. Space-related savings as well as other related adjustments are contained in table 3-1A.3c in volume II.

142. The projected increase in government local office cost contributions in the amount of $1.1 million included in the 1992-1993 budget estimates is largely the result of additional income expected from the new field offices in Europe.

VI. UNDP BIENNIAL BUDGET ESTIMATES FOR 1992-1993: PROGRAMME SUPPORT AND DEVELOPMENT ACTIVITIES AND THE TRUST FUNDS

A. Programme development activities

143. The conceptual basis for requesting a separate and identifiable appropriation line, to be known as programme development activities, for UNDP thematic and developmental activities is presented in section III.B. The Administrator proposes a total appropriation amounting to $19.0 million in 1990-1991 prices to cover these activities. This comprises $11.6 million as reflected below and $7.5 million relating to the economists in the field. As reflected in table VI.1, the proposal relating to programme support activities amounting to $11.6 million does not involve any volume increase, either in dollars or posts, in the amount of resources being allocated for these purposes out of the general resources of UNDP. It does represent a transfer of resources from the core budget, SPR, and global funds. The transfer of $5.9 million from the SPR to the PSDA would represent additionality to the SPR if the resources originally allocated to cover staff costs were thereby freed up. In order to maintain essentially a zero-sum approach, the Governing Council may wish to consider transferring the DSS line from the proposed PSDA to the SPR. In view of the fact that the DSS concept is limited to local consultants, this resource can very appropriately be incorporated with those resources allocated in the SPR earmarking for programme development. The experience of UNDP with DSS is presented in detail in chapter VII.

Table VI.1. UNDP programme development activities: estimated financial implications a/

(1990-1991 prices in millions of United States dollars)

Unit	1990-1991 estimates					1992-1993 estimates			Change: Total 1992-1993 Total 1990-1991
	Core	PSA	SPR	Global	Total	Core	PSDA	Total	
Directorate	0.6				0.6	0.6		0.6	0.0
Human development									
NGO/poverty	1.0		0.3		1.3	0.9	0.3	1.2	(0.1)
Women-in-development	1.3				1.3	0.5	0.8	1.3	0.0
Human development	0.4		1.2		1.6	0.0	1.5	1.5	(0.1)
AIDS	0.5			0.5	1.0	0.5	0.5	1.0	0.0
Education	0.5		0.8		1.3	0.4	0.8	1.2	(0.1)
Subtotal	3.7	0.0	2.3	0.5	6.5	2.3	3.9	6.2	(0.3)
Environment	2.0		0.8		2.8	1.7	0.8	2.5	(0.3)
Private sector and technology									
Private sector	1.7	0.4			2.1	0.4	1.8	2.2	0.1
Technology	0.4				0.4	0.4		0.4	0.0
Infrastructure	0.3				0.3	0.3		0.3	0.0
Subtotal	2.4	0.4	0.0	0.0	2.8	1.1	1.8	2.9	0.1
Public sector management	1.4		2.1		3.5	1.3	1.7	3.0	(0.5)
TCDC/INRES	3.3		0.7		4.0		3.4	3.4	(0.6)
Total	13.4	0.4	5.9	0.5	20.2	7.0	11.6	18.6	(1.6)

a/ Excludes field economists and programme support activities (CGIAR, UNDP-UNSO/UNEP joint venture).

144. If the Governing Council were to adopt this approach, under each earmarking in the SPR where resources have been allocated for staff support and where the funding for this staff is to be provided in the PSDA, the staff costs would be deducted from the SPR earmarking. At the same time, $5 million, at 1990-1991 prices, would be provided for DSS under the SPR earmarking for programme development. The net impact, at 1990-1991 prices, on SPR resources would be a saving to the SPR of $900,000. The eventual net flow of resources between the core budget, the PSDA, the SPR and global funds can be summarized as follows:

Table VI.2. UNDP: eventual net flow of resources

(Millions of United States dollars)

Core budget: reduction		
Transferred to PSDA from headquarters	(4.8)	
Transferred to PSDA from field (economists) a/	(7.5)	
Programme support b/	(2.2)	
Net impact		(14.5)
PSDA		
Increase:		
Transferred from core budget	14.5	
Transferred from SPR	5.9	
Transferred from global	.5	
Total increase	20.9	
Reduction:		
DSS transferred to SPR c/	(5.0)	
Net impact		15.9
SPR		
Increase:		
Transferred from PSDA	5.0	
Reduction:		
Transferred to PSDA	(5.9)	
Net impact		(0.9)
Global		
Reduction:		
Transferred to PSDA	(0.5)	(0.5)
Total net impact		0

a/ See chapter III of the present report.

b/ Includes CGIAR and UNDP-UNSO/UNEP joint venture support.

c/ Option for consideration by the Governing Council.

Table VI.3 summarizes the substance of the Administrator's proposals as they relate to developmental and thematic activities.

Table VI.3. UNDP developmental activities

Thematic activity	Current core funding a/	Proposed core funding	Proposed PSDA posts
Human development	Human development b/ Human resource development Basic needs Non-governmental organizations (2) c/ Women in development (3)	NGO/Grass-roots development Human resource development/ Education Basic needs/AIDS Women in development	Non-governmental organizations (1) Women in development (2) AIDS (1) Education (2) Human development/poverty (4)
Environment and natural resources	Agricultural services Crops/livestock Forestry Environmental management	Environmental development Forestry Crops, livestock Agricultural services	Environmental management (2)
Technology, industry, private sector	Industry Engineering Infrastructure Division for Private Sector in Development (3) d/	Industry/Private sector development Technology Infrastructure	Private sector (4)
Public sector management	Public sector management Urban development Trade and finance	Public sector management Trade and finance Urban management	Public sector management (4)

a/ Excludes one Director post.

b/ Includes one borrowed post.

c/ Figures in parentheses represent number of posts.

d/ Represents three borrowed posts.

.../

145. The major thrusts incorporated in the four proposed clusters are given below.

The human development and participatory approaches group

146. This group includes core funding for staff providing operational and technical support in the following five areas:

(a) Human resources development (education, training and employment);

(b) Basic needs (health, family planning, nutrition, water supply and sanitation, HIV/AIDS);

(c) NGOs and grass-roots development (community service delivery, participatory approaches);

(d) Poverty;

(e) Women in development.

Together, these areas cover 18 per cent of all UNDP projects by number of projects, or 15 per cent of projects by amount. In addition, PSDA staff in the group will be responsible for the following programmes in support of UNDP thematic thrust areas:

(a) Four staff members covering human development and poverty alleviation, responsible for producing the Human Development Report, data collection and analysis, and support to human development programming initiatives;

(b) Two staff members covering the women-in-development programme development activities, for which $8 million (plus 5 per cent of SPR resources in the other programme areas) has been set aside under the SPR;

(c) One staff member for developing and promoting the UNDP programme on HIV/AIDS and development, as requested by Governing Council decision 90/25, of 22 June 1990;

(d) One staff member to coordinate the NGO programme such as Partners in Development, Africa 2000, and other initiatives;

(e) Two staff members (a Coordinator and a research assistant) for the Education for All initiative.

The environment and natural resources management group

147. This group includes core funding for staff providing operational technical support in the following four areas:

(a) Environmental management (water resources, atmospheric environment, mineral resources, energy, natural resources management);

(b) Forestry, desertification and land management;

(c) Crops, livestock and fisheries production;

(d) Agricultural services (extension, credit, processing and marketing).

Together, these areas cover 26 per cent of all UNDP projects by number of projects, or 33 per cent of projects by amount. In addition, two PSDA staff members in the group (Environment Coordinator and research assistant) will be responsible for supporting the UNDP SPR programmes as well as overseeing extrabudgetary staff assigned to the World Bank/UNDP/UNEP Global Environment Facility, the Interim Multilateral Fund of the Montreal Protocol (known as Multilateral Trust Fund) and other environmental programmes.

Technology, industry and private sector promotion group

148. This group includes core funding for staff providing operational technical support in the following three areas:

(a) Technology (appropriate technology, information technology, high-tech, technology transfer);

(b) Industrial engineering and industrial services;

(c) Infrastructure (transportation, communications, civil engineering).

Together, these areas cover 29 per cent of all UNDP projects by number of projects, or 29 per cent of projects by amount. In addition, four PSDA staff members in the group will be responsible for the promotion of private sector development activities in the areas of small business development, investment promotion, TOKTEN and UNISTAR, and on enabling environment for private sector development.

Public sector management group

149. This group includes core funding for staff providing operational technical support in the following three areas:

(a) Public sector management (development planning, macroeconomic management, aid coordination, public administration, organizational development, statistics and information systems);

(b) Trade, finance, debt management, regional cooperation;

(c) Urban management, area-based development, physical planning.

Together, these areas cover 24 per cent of all UNDP projects by number of projects, or 21 per cent of projects by amount. In addition, four PSDA staff members in the group will be responsible for maintaining and expanding, with additional SPR funds, the Management Development Programme; they will also be responsible for an SPR programme in urban management.

150. Table VI.4 presents the distribution of posts by thematic area and by source of funding for 1990-1991 and 1992-1993. The total number of Professional posts

proposed under both core and PSDA funding amounts to 44. This compares with 45 under the existing multiple funding arrangements. The distribution of posts between core and PSDA funding reflects the principles elaborated in section III.B. Those posts provided under core funding represent areas where there is a need for an ongoing appraisal and formulation capacity. The PSDA funding proposals relate to areas where UNDP is currently committed to developmental work and where this commitment requires separate funding arrangements at this time. The substance of this work has been described above.

151. Finally, table VI.5 provides information comparing the grade of posts between 1990-1991 and 1992-1993. The table distinguishes between core and other posts in 1990-1991 and between core and PSDA-funded posts in 1992-1993. At the D-2 level, there is a real increase of one D-2 level post. This is because the D-2 post borrowed from Geneva for the Division for the Private Sector during 1991 reverts to Geneva in 1992-1993. This new D-2 post, together with the posts of Director of the Technical Advisory Division, Director of the Division for Non-Governmental Organizations and Director of the Management Development Programme (project-funded), all D-2 posts, become D-2 posts heading each of the 4 clusters. In addition, the Division for Women in Development maintains a D-2 post, reflecting the priority attached by the Administrator in this area. As referred to above, the Director of the Human Development cluster will also serve as Deputy Director of BPPE. The Deputy Director post is the only charge to the core budget at this time. The other four D-2 posts relating to women in development, environment and natural resources, technology and private sector and public sector management are all a charge to the PSDA. This reflects the fact that in each of these areas UNDP is currently engaged in a developmental phase and its long-term core requirements are yet to be identified. With respect to D-1 posts, the Administrator's proposals would represent a decrease in the number of D-1 posts from 12 to 10.

Table VI.4. UNDP development activity Professional posts by source of funding, 1990-1991 (existing) and 1992-1993 (proposed)

Thematic area	Existing posts and source of funding, 1990-1991					Proposed posts, 1992-1993		
	Core	PSA	SPR	Global	Total	Core	PSDA	Total
Directorate	1				1	1		1
Human development					0			0
NGO/poverty	2		1		1	2	1	3
Women in development	3				0	1	2	3
Human development	1		3 a/		3	0	4	4
AIDS	1			1	1	1	1	2
Education			2		2	1	2	3
Subtotal	8 b/	0	6	1	15	5	10	15
Environment	4		2 c/		6	4	2	6
Private sector and technology								
Private sector	4 d/	1			5	1	4	5
Technology	1				1	1		1
Infrastructure	1				1	1		1
Subtotal	6	1	0	0	7	3	4	7
Public sector management	3		4		7	3	4	7
TCDC/INRES	7		2		9	0	8	8
Total	29	1	14	1	45	16	28	44

a/ Represents level of ongoing consultancies.

b/ Includes two NGO, three WID, two TAD posts and one redeployed post.

c/ Currently extrabudgetary financed, projected fifth cycle SPR cost.

d/ Includes three redeployed posts.

Table VI.5. UNDP development activity posts by grade, 1990-1991 (existing) and 1992-1993 (proposed)

Thematic area	1990-1991 Core D-2	D-1	P-5	Up to P-4	Total	Project posts D-2	D-1	P-5	Up to P-4	Total	1992-1993 Core coverage D-2	D-1	P-5	Total	Proposed PSDA posts D-2	D-1	P-5	Up to P-4	Total
Directorate	1 a/				1					0	1			1					0
Human development																			
NGO/poverty	1			1	2				1	1		1	1	2				1	1
Women in development	1		1	1	1	3				0			1	1	1			1	2
Human development				1	1			1	2	3				0		1		3	4
AIDS			1		1		1			1			1	1		1			1
Education		1			1			1	1	2		1		1			1	1	2
Subtotal	2	1	2	3	8	0	1	2	4	7	0	2	3	5	1	2	1	6	10
Environment		2	2		4		1		1	2		1	3	4	1			1	2

Table VI.5 (continued)

Thematic area	1990-1991 Core D-2	D-1	P-5	Up to P-4	Total	1990-1991 Project posts D-2	D-1	P-5	Up to P-4	Total	1992-1993 Core coverage D-2	D-1	P-5	Total	1992-1993 Proposed PSDA posts D-2	D-1	P-5	Up to P-4	Total
Private sector and technology																			
Private sector	1 b/	1 c/	1	1	4				1 c/	1			1	1	1	1		2	4
Technology			1		1					0		1		1					0
Infra-structure			1		1					0			1	1					0
Subtotal	1	1	3	1	6	0	0	0	1	1	0	1	2	3	1	1	0	2	4
Public sector management		2	1		3	1	3			4		2	1	3	1		2	1	4
ICDC/INRES	1	1	2	3	7				2	2				0	1	1	1	5	8
Total	5	7	10	7	29	1	5	2	8	16	1	6	9	16	5	4	4	15	28
Grand total										45									44

a/ Director in TAD.

b/ Borrowed Geneva post.

c/ Redeployed IDO and UNISTAR posts.

.../

B. Office for Project Services

152. The request for volume growth in relation to the 1990-1991 biennium has been presented in section IV.B. There are no further specific proposals for OPS in respect of the 1992-1993 biennium since it is the Administrator's policy not to project OPS workload into the future. The volume adjustment in 1992-1993 against the 1990-1991 estimates reflects the fact that volume increases were included in the revised 1990-1991 estimates in regard to 1991 only. In view of the biennial structure of these estimates, this volume increase appears again in 1992. Otherwise, the 1992-1993 OPS estimates are a reflection of a continuation of the 1991 budgetary and staffing level.

153. Decision 90/45 approved the posts of Director of OPS at the Assistant Administrator level and Deputy Director of OPS at the D-2 level on a temporary basis, on the understanding that they were to be reviewed in the context of the 1992-1993 budget. The Administrator's comments on the management consultants' report on the senior management structure in this regard are contained in document DP/1991/51. The Administrator remains of the view that the level and scope of the responsibilities relating to the management of OPS require an Assistant Administrator assisted by a deputy at the D-2 level. The scope of these responsibilities is detailed in section IV.B. The Administrator continues to believe that the issue of the management requirements of OPS, in view of its current size and complexity, should be given consideration on its own merits.

C. United Nations Volunteers

154. The Administrator is making some specific staffing proposals related to the transfer of administrative functions from the UNDP Office at Geneva to UNV as described in section V.B above. The cost-effectiveness of the proposals as they relate to the costs of the UNDP Office at Geneva are also described in section V.B. The proposals are also cost-effective from the point of view of the overall costs of UNV. In order to take over the functions performed by the UNDP Office at Geneva as well as certain functions performed by UNOG relating to payments, procurement and supplies, UNV requires three additional General Service staff members. Two staff members are required to cope with the additional workload in the finance area and one personnel assistant is required. In addition, the Administrator proposes the transfer to UNV on a temporary basis of the administrative officer post previously financed from UNV reimbursement to the UNDP Office at Geneva. This post is needed for a period of up to a maximum of two years to ensure a smooth and appropriate transition of the core support functions previously undertaken by the UNDP Office at Geneva. The post would be classified as a temporary post. The net impact of the Administrator's proposals on the UNV budget are as follows:

	$
Reduction in UNV reimbursement to UNDP Office at Geneva/headquarters	(577 800)
Reduction in UNV reimbursement to UNOG	(480 000)
Increased cost of three General Service staff	382 000
Increased cost of Professional Administrative Officer (two years only)	265 000
General operating costs	259 000
Net (saving)	151 800

155. In sum, the Administrator's proposal reduces the administrative costs charged to the UNV budget by $151,800. With the eventual elimination of the additional Professional post, the estimated savings would be $416,800.

156. One final element in the Administrator's proposals regarding the 1992-1993 UNV budget estimates relates to the implications for field offices of the development of a cadre of 60 UNV Programme Officers located in UNDP field offices. UNDP field offices have provided and will continue to provide services to all programmes financed from UNDP general resources as an integral part of their mandate. However, the costs associated with the development of a field presence of a particular programme should be a charge to the appropriation line to which the costs of that programme are charged. The failure to make any financial provision for the recurrent operating costs associated with the UNV Programme Officers has resulted in the core budget subsidizing UNV. In line with the principles elaborated in chapter VIII relating to extrabudgetary activities in field offices, the Administrator proposes to ensure that field offices are reimbursed and that the real costs of the UNV programme are reflected under the UNV appropriation line. The Administrator proposes to establish a reimbursement mechanism, fixed at 10 per cent of the appropriation for the UNV programme officers (10 per cent of $3.1 million equals $310,000). The total reimbursement will be subject to review.

D. Inter-Agency Procurement Services Office

157. Against the background of the post reductions applied to the headquarters core budget, the Administrator is making no additional proposals in respect of the budgetary or core staffing table for IAPSO. Some limited increases are, however, included for general operating expenditures which are detailed in table 3-IIB.3 of volume II.

158. Based on estimated annual earnings of $1.0 million from direct procurement assistance, IAPSO plans to finance a number of extrabudgetary posts in 1992-1993. These include four Professional and three General Service posts. The Professional

posts include the continuation of a finance officer post (established in 1990) and three technical officer posts. The General Service posts include two procurement clerks, and one data entry clerk. If the income projections for IAPSO are realized, additional posts may be established during the course of the biennium. The continuation of staff recruited against extrabudgetary income is, of course, subject to the sustainability of that income.

E. Headquarters support to national execution

159. The Governing Council approved an appropriation of $2.4 million for the 1990-1991 biennium to provide headquarters support to national execution in the areas of auditing and accounting. The Administrator proposes to maintain the same level of real resources for the 1992-1993 biennium.

Accounts

160. During the 1990-1991 biennium, expenditure was and will continue to be incurred principally in maintaining the processing of current year transactions and backlogs from 1989, the first year of the revised procedures. Additional staff were engaged to address the increased headquarters responsibilities arising from the revised procedures. Towards the end of the period, a study of field-based systems was conducted, which included participants from seven concentration countries as well as headquarters representatives. This will result in the development and implementation of a field-based computer system to facilitate the financial administration and management of the national execution modality during 1991. Field-based training workshops of UNDP staff and their government counterparts continued during the period.

161. With the anticipated growth in the national execution modality during the 1992-1993 biennium, it is essential that UNDP be equipped to provide the requisite support. Projected activities include a continuation of headquarters processing, although on a greatly reduced scale. The role of headquarters staff will become more analytical and monitoring in nature. In addition, increased focus will be given to the training of government staff. The implementation of the computer system towards the end of the 1990-1991 biennium will require support, both technical and in its implementation. It is also proposed to develop and implement a government module to the system during the early part of the 1992-1993 biennium to assist Governments in the preparation of the accounts and financial reports.

Audit

162. The Government Execution Audit Section of DAMR continued in the 1990-1991 biennium to sensitize field offices and Governments to the comprehensive audit requirements issued in late 1989. These requirements were also made available to Governments and UNDP field offices in English, French and Spanish and, as a result, reaction and responses to these requirements by Governments have been encouraging. Of the 1989 project expenditure of $100.1 million reported in 1990, $70 million or 70 per cent was supported by audited reports. During the biennium, audit reports by Governments have been evaluated by staff of the Section and recommendations made

for improvements, including the introduction of additional scopes, the development of project management and the timely submission of reports. Also, to facilitate the administration and management of audit reports, a computerized database system was installed and is fully operational.

163. The Administrator is pleased to note that Governments, project management and UNDP field offices are becoming more familiar with the stated requirements. To continue and to build on the work so far achieved, including improvement in the quality of audit reports and their timely submission, it is essential that the Government Execution Audit Section be equipped to continue in the 1992-1993 biennium to manage the audit process and provide the necessary follow-up and support. Furthermore, during the 1992-1993 biennium, the work of the Section will be expanded to cover not only foreseen increased project expenditure under country IPFs but also expenditure for projects executed by Governments financed from regional, interregional and trust funds projects.

F. Trust funds

164. As discussed in section III.D, distinct appropriations for the resources of UNCDF, UNSO, UNIFEM and UNRFNRE/UNFSTD are included within the appropriation structure of UNDP. The budget presented for each trust fund relates to its operational and administrative activities which are presented in detail in volume II.

165. Since the activities of the trust funds are financed through independent contributions, the post reductions applied to the headquarters core budget of UNDP were not applied to the trust funds. However, the exclusion from the post reductions at headquarters did not automatically become the basis for additional staffing requests even if an individual trust fund projected an increase in resources. Instead, the Administrator carefully evaluated the staffing requirements of each fund in the context of the analysis and recommendations of the external consultants. As a result of this review, it was decided to freeze all new staffing proposals for UNCDF, UNSO, and UNRFNRE/UNFSTD pending further consideration of the issues raised regarding the management and staffing levels of the trust funds. Only in the case of UNIFEM has the Administrator put forward proposals for increased staffing (1 Professional and 1 GS). The Administrator is putting forward three Professional reclassifications to the P-5 and P-3 levels in UNCDF and UNSO.

166. UNIFEM has now reached the point where it can no longer stretch its current staff resources to respond to new opportunities and to manage completely the established pattern of increases in government pledges, private donations and extrabudgetary financing arrangements. Therefore, to help ensure the delivery of quality programmes, it is proposed to add to the UNIFEM staffing complement a monitoring/evaluation officer and an administrative secretary to support the work of the Information Unit. Further justification supporting the increased staffing levels for UNIFEM as well as narrative detailing the budgetary and staffing proposals of each trust fund are contained in table 3-III.B1 in volume II.

VII. REPORT ON DEVELOPMENT SUPPORT SERVICES

167. By decision 89/59 of 30 June 1989, the Governing Council decided to establish in the 1990-1991 biennial budget a separate appropriation line of $5 million for the introduction of DSS. The underlying rationale behind this new concept was to give the Resident Representative the ability to supplement the expertise available in his/her office with nationally - or regionally - available independent short-term expert advice. Following is the Administrator's report on the initial experience gained with the implementation of the concept.

168. At the beginning of 1990, allocations were given to all countries. An initial amount equivalent to $50,000 was allocated to countries with an annualized IPF of more than $10 million and an amount equivalent to $30,000 to all others. Additional allocations were given to countries which had additional requirements after the initial allocation was utilized. For ease of administration, the allocations were made under a separate line in the budget allotments. Expenditure against allotments were monitored through the monthly status of allotment reports. Accounting adjustments were made centrally to maintain separate expenditure accounts against the separate appropriation. The initial allocations were accompanied with specific guidelines and instructions with regard to the use and administration of the funds.

169. As of 31 December 1990, expenditures recorded were $1,622,172, comprising actual disbursements of $1,342,388 and unliquidated obligations of $297,784. As of the same date, firm proposals awaiting finalization of the service agreement amounted to $1,038,151. Total utilization of funds thus amounted to $2,660,323 or 53 per cent of available resources. The amount covers a total number of 512 individual service contracts and a total of 1,004 person months in 80 countries.

170. Table VII.1 provides an overall summary per region of the total utilization of funds, number of service contracts and origin of consultants involved. Eighty per cent of the consultants were locally recruited while the average cost per person month was $2,650. The average duration of a service contract was less than two months.

Table VII.1. Development support services: status of utilization as at 31 December 1990 (by region)

(United States dollars)

Regions	Financial			Service contracts			
	Expenditures	Firm proposals	Total utilization	No.	Months	Local	Regional
Africa	595 566	477 150	1 072 716	210	385	170	40
Asia and Pacific	360 944	258 098	619 042	110	257	80	30
Arab States and Europe	312 218	195 346	507 564	87	159	71	16
Latin America and Caribbean	353 444	107 557	461 001	105	203	81	24
Total	1 622 172	1 038 151	2 660 323	512	1 004	402	110

171. Table VII.2 provides a summary per region of the different areas in which additional substantive inputs were obtained through DSS. In terms of person months, 63 per cent of services obtained related to providing substantive advice in areas of priority concern to Governments, substantive inputs relating to the development of country programmes and to programme initiatives relating to the global themes in response to decision 90/34 on the fifth programming cycle.

172. Every new modality requires a certain lead-time before it becomes an integrated part of field office activities. In the opinion of the Administrator, however, the utilization so far illustrates that DSS was indeed a welcome and much needed facility to enable resident representatives selectively to obtain additional substantive capacity to respond to the increasingly complex challenges they face.

173. Field offices have responded enthusiastically to the DSS initiative. It is considered to be a very valuable, quick-response and cost-effective facility for priority programme activities which need to be initiated promptly and are new or unforeseen. Governments and specialized agencies have been extensively consulted in the use of the DSS modality. Field offices confirmed that the facility strengthens their capacity to contribute to better informed programme choices. DSS has extensively been used to prepare position papers on a wide variety of issues. These are often used as inputs to the preparation of country programmes as well as to the interim reviews. DSS has enabled field offices to respond to decision 90/34 by quickly identifying concrete ways in which global themes can be integrated into UNDP programmes. In many countries, DSS has improved the quality of the development cooperation reports as an important aid coordination tool by enabling field offices to undertake thorough data gathering and analysis. The facility has encouraged the identification and use of local expertise. Consultant rosters have been established in a number of countries. The access to regional expertise has promoted TCDC in a very concrete manner.

174. Against this background, the Administrator proposes to maintain the DSS facility in real terms in the 1992-1993 biennium. The appropriate funding arrangement for the DSS facility is discussed in section VI.A. In the context of the Administrator's PSDA proposals, the Governing Council may wish to consider financing DSS from the SPR. DSS will increasingly provide a critical resource to resident representatives as they complete preparations for and initiate implementation of the fifth programming cycle.

Table VII.2. Development support services: status of utilization as at 31 December 1990 (by area of substantive input)

Area of substantive input	Africa	Asia and Pacific	Arab States and Europe	Latin America and Caribbean	Total	
	Person months					Percentage
Substantive advice relating to areas of priority concern to Governments	37	53	48	62	200	20
Substantive inputs relating to the development of the country programme	102	45	51	44	242	24
Development of sector or thematic programming	41	56	10	38	145	14
Implementation of local coordination arrangements	61	9	1	15	86	9
Programming initiatives relating to global themes e.g., environment, WID, NGOs etc.	94	68	22	15	199	20
Programme initiatives relating to the development of national execution	10	6	0	7	23	2
Others	40	20	27	22	109	11
Total	385	257	159	203	1 004	100

VIII. REPORT ON EXTRABUDGETARY POLICY IN FIELD OFFICES

175. Decision 89/59 of 30 June 1989 requested the Administrator to provide a descriptive report on field office cost recovery in the context of the 1992-1993 biennial budget estimates.

176. The principles underlying the reimbursement to field offices for the costs associated with the provision of support to non-core activities have been documented in some detail. In document DP/1984/55 and Corr.1, containing a report entitled the concept of extrabudgetary resources, the Administrator presented the rationale, both historical and conceptual, for the development and application of extrabudgetary resources. In document DP/1988/52, in the context of the revised budget estimates for the biennium 1988-1989, and again in accordance with paragraph 10 of Governing Council decision 89/59, the Administrator provided a detailed review of the funding mechanisms for programme support and administrative services. While the ground covered by this report is not new, the review points to the need for a number of limited adjustments.

177. Extrabudgetary resources in field offices are of the following kinds:

(a) Support to cost-sharing activities;

(b) Reimbursement for services provided by UNDP field offices to other United Nations bodies;

(c) Reimbursement for management and other support services on behalf of Governments;

(d) Emergency accounts;

(e) Reimbursement from Governments;

(f) Common services accounts;

(g) Add-on resources.

Table VIII.1 summarizes the current situation.

Table VIII.1. Summary of UNDP field office extrabudgetary funding mechanisms

Description	Treatment	Rationale	Governing Council decisions	1988 Magnitude (millions of US dollars)	1990 Magnitude (millions of US dollars)
Interest on cost-sharing balances/direct charge to budget line	Extrabudgetary income; surplus is returned to programme cost-sharing	To compensate UNDP for workload associated with administering cost-sharing programmes	25/17, 79/35 82/18, 85/42	6.0	8.5
Reimbursement from Governments	Extrabudgetary income	To compensate UNDP for support services relating to cost-sharing and other programmes	25/17, 79/35	3.2	2.2
Reimbursement from United Nations agencies	Extrabudgetary income	To compensate UNDP for services provided in relation to their regular and trust fund activities	82/33, 84/42	0.5	0.6
Management service fee	Extrabudgetary income to UNDP; support cost earning to OPS	To compensate UNDP for workload associated with supporting management service agreements	83/5	0.8	1.0
Field office emergency operations account	Extrabudgetary income	To enable field offices to receive supplementary funding to strengthen their capacity to cope with special or emergency programmes	Internal policy guidelines	0.3	1.1

Table VIII.1 (continued)

Description	Treatment	Rationale	Governing Council decisions	1988 Magnitude (millions of US dollars)	1990 Magnitude (millions of US dollars)
Field office common services account	Separate extrabudgetary account, with income from participating agencies, including UNDP, whose contribution is also rendered as UNDP expenditure	To enable centralized management and budgeting of common services in the field	88/46	0.0	0.2
Add-on funds	Extrabudgetary income transferred as necessary	To compensate UNDP for workload resulting from national execution modality	82/8, 87/14	1.2	1.6

/...

Support to cost-sharing activities

178. The interest earned on cost-sharing balances is apportioned 80 per cent to the field offices and 20 per cent to headquarters. The "interest method" is well understood and has gone a considerable way to compensating field offices for workload related to the cost-sharing programmes. None the less, the interest method can, under certain circumstances, have a number of drawbacks. Late payments of cost-sharing contributions result in the generation of very small amounts of interest income. Moreover, the income is calculated and made available only more than one year later. While this is of marginal practical significance when the cost-sharing programme is rolling over on a stable basis, it has significant implications where a major new cost-sharing programme is being launched.

179. In order to address these two issues, the Administrator is encouraging the use of a separate budget line in the cost-sharing project budget, when necessary, to ensure reimbursement for associated costs in a timely and predictable manner. In those cases where these costs are covered by a separate budget line, any interest income would revert to the cost-sharing programme and would not be available as extrabudgetary income. The Administrator also intends to review the current apportionment of interest income between field offices and headquarters.

Reimbursement for services provided by UNDP field offices to other United Nations bodies

180. The principles governing the reimbursement for services provided by UNDP field offices to other United Nations bodies were established in 1982 and essentially reconfirmed in 1984.

181. In principle, support by UNDP field offices to activities financed from the regular budgets of agencies was to be funded by the organization concerned and to be accounted for by the UNDP field office under extrabudgetary resources. While Resident Representatives were authorized to continue to provide services for ongoing activities within existing resources free of charge, all additional or new services which entailed the need for identifiable support resources which could not be provided within existing resources were to be provided only following agreement on adequate extrabudgetary financing. With regard to agency trust fund activities, in its decision 84/42 of 29 June 1984 the Governing Council decided that UNDP should be reimbursed for the cost of services provided by UNDP to trust fund activities.

182. In practice, the Administrator has over time urged Resident Representatives to continue to provide services to agencies whenever possible. As a consequence, UNDP field offices have exercised great restraint in seeking compensation for service rendered. This is reflected in the fact that in 1990, while the workload study indicates that at least 20 per cent of field time has been spent on providing support to other United Nations organizations, the offices have been compensated globally in total to the sum of $0.6 million or 0.2 per cent of the cost of the UNDP field office network. While wishing to take note of this point, the Administrator is not proposing any new policies in this regard as he believes that current arrangements are in the interest of the United Nations operational system

as a whole. None the less, as proposed in section III.C, he believes that this reality should be reflected in the presentation of the UNDP field office budget.

Reimbursement for management and other support services on behalf of Governments

183. Field offices are reimbursed for all costs associated with providing support to management services being undertaken on behalf of Governments. The amount of reimbursement is agreed between the field office and OPS at the time of the negotiation of the management service contract. Management service budgets contain a separately identifiable line for reimbursement to field offices. The Administrator believes current arrangements are working satisfactorily.

Emergency accounts

184. In a number of countries, emergency accounts have been established in order to separately identify income received and expenditures incurred in relation to a specific emergency. Currently such an account is being operated in one country.

Reimbursement for Governments

185. In a limited number of countries, Governments make direct contributions to support field office extrabudgetary activities. This is particularly so in the case of net contributor countries, where, from the point of view of the country, the distinction between their obligations with regard to the core local office costs and the extrabudgetary account becomes somewhat theoretical. One aspect of the direct reimbursement by Governments in regard to extrabudgetary accounts in the field is that under current arrangements, this precludes any apportionment mechanism to cover associated headquarters costs. The Administrator will review this matter further with the intention of applying the same apportionment principles that govern the interest on the cost-sharing method.

Common services accounts

186. The concept of the common services account was elaborated in documents DP/1988/52 and Add.1 and 2 and approved in decision 88/46 of 1 July 1988. The common services account provides a transparent basis for accounting for the apportioned costs relating to shared administrative services. Some six common services accounts will be operational by the end of 1991. It is expected that the use of the account will continue to grow gradually. This growth in large part will depend on the willingness of all parties at the local level to enter into agreements regarding the share of costs. The Administrator believes that the common services accounts remains a valuable mechanism and a tangible expression of commitment to the pursuit of system-wide approaches, leading to economies of scale, whenever possible.

Add-on resources

187. The Governing Council has authorized the use of add-on resources to compensate UNDP field offices for the additional workload resulting from national execution. UNDP has pursued a policy of encouraging the use of add-on resources to strengthen

national institutional capacity in those cases where field offices have been required to take on significant additional workload. In this way, it is expected that the role played by field offices will be strictly a transitional one. None the less, UNDP experience clearly indicates that the expansion of national execution has significant workload implications for field offices.

188. With the introduction of the successor support cost arrangements, the add-on concept will continue to apply only to those projects approved prior to 1 January 1992. With regard to new projects, the operational and administrative costs associated with any external agents providing services to Governments will be a charge to the 10 per cent IPF sub-line. Such support would be provided in the form of a project, and thereby be requested and approved by the Government. The Administrator intends to develop guidelines that will elaborate UNDP policies with regard to the use of such projects.

Summary

189. The principles and policies determining reimbursement to UNDP field offices are firmly established. The Administrator has indicated a few areas where adjustments are necessary but by and large he believes the extrabudgetary mechanism is working satisfactorily.

190. The one notable exception to this relates to the funds administered by UNDP itself. In order to identify the issues involved, a clear distinction is required between activities funded from the IPF and which the field office supports as an integral part of its mandate and programmes that are funded from outside the general resources of UNDP. A second distinction is needed between programme activity and the costs associated with the development of a separate field presence by the concerned fund or programme.

191. In the case of the first distinction, OPS and UNV should be treated differently from UNCDF, UNSO and UNIFEM. In the case of OPS and UNV, the programmes being implemented are IPF-funded and it is therefore the field office function to support these programmes. To the extent that the OPS activities are extrabudgetary, the field office is reimbursed, as indicated above. In the case of UNCDF, UNSO and UNIFEM, reimbursement to UNDP field offices would be appropriate. The need for a common practice in this regard will be given further consideration in the context of the Administrator's proposals relating to the future organizational arrangements of the trust funds.

192. With respect to the second issue, UNV has the largest field presence with the development of a cadre of 60 UNV programme officers. The Administrator's proposals to reimburse field offices for the costs associated with these programme officers is contained in section VI.C. The field presence of UNIFEM, UNCDF and UNSO is more selective and the direct costs of such staff are usually a charge to the funds. None the less, the Administrator wishes to develop a common practice with regard to all the trust funds; he proposes to review the issue further and revert to the Governing Council with proposals. The overall principle to be reflected is that the costs associated with the field presence of a programme or trust fund should be a charge to the appropriation line relating to that programme or trust fund.

193. In summary, the extrabudgetary mechanisms available to field offices are significant in that they enable field offices to provide a wide range of support services. Extrabudgetary resources are in this sense critical to the continued vitality of the field office network. At the same time, the use of different extrabudgetary mechanisms ensures that extrabudgetary activities do not become a burden on UNDP general resources and that they maintain their self-financing character.

IX. SUMMARY TABLES

Table 1.(a) UNDP 1990-1991 biennial budget showing estimated extrabudgetary income from external sources

(Thousands of United States dollars)

	Appropriation estimates	Estimated extrabudgetary income	Total gross/net estimates
I. RESOURCES OF UNDP			
A. UNDP core activities			
Headquarters a/	152 705.4	14 472.2	167 177.6
Field offices	288 763.1	25 746.3	314 509.4
Gross UNDP core activities	441 468.5	40 218.5	481 687.0
Estimated income b/	30 940.0	0.0	30 940.0
Net UNDP core activities	410 528.5	40 218.5	450 747.0
B. Programme support and development activities			
Programme development activities	353.2	0.0	353.2
Project/programme implementation services			
DSS	5 000.0	0.0	5 000.0
OPS	26 482.8	21 641.0	48 123.8
IAPSO	4 796.6	2 035.5	6 832.1
UNV	27 723.8	0.0	27 723.8
National execution	2 461.4	0.0	2 461.4
Total project/programme implementation services	66 464.6	23 676.5	90 141.1
Total programme support and development activities	66 817.8	23 676.5	90 494.3
C. Total resources of UNDP			
Gross resources	508 286.3	63 895.0	572 181.3
Estimated income b/	30 940.0	0.0	30 940.0
Net UNDP resources	477 346.3	63 895.0	541 241.3
II. RESOURCES OF TRUST FUNDS			
A. UNCDF	9 839.9	0.0	9 839.9
B. UNRFNRE and UNFSTD	5 708.5	288.9	5 997.4
C. UNSO	6 701.4	2 401.0	9 102.4
D. UNIFEM	4 193.4	128.9	4 322.3
Total resources of trust funds	26 443.2	2 818.8	29 262.0
III. TOTAL UNDP APPROPRIATIONS			
Gross appropriations	534 729.5	66 713.8	601 443.3
Estimated income b/	30 940.0	0.0	30 940.0
Net UNDP appropriations	503 789.5	66 713.8	570 503.3

a/ Headquarters extra-budgetary income represents income from external sources, exclusive of reimbursements to UNDP-core from non-core units. The reimbursements are already included in the appropriation estimates of the non-core units.
b/ Includes estimated income of $30.6 million for host Government contributions in cash.

Table 1.(b) UNDP 1992-1993 biennial budget showing estimated extrabudgetary income from external sources

(Thousands of United States dollars)

	Appropriation estimates	Estimated extra-budgetary income	Total gross/net estimates
I. RESOURCES OF UNDP			
A. UNDP core activities			
Headquarters a/	148 194.6	15 400.0	163 594.6
Field offices	333 781.0	26 548.8	360 329.8
Gross UNDP core activities	481 975.6	41 948.8	523 924.4
Estimated income b/	32 000.0	0.0	32 000.0
Net UNDP core activities	449 975.6	41 948.8	491 924.4
B. Programme support and development activities			
Programme development activities	20 666.2	0.0	20 666.2
Project/programme implementation services			
DSS	5 788.7	0.0	5 788.7
OPS	30 737.7	25 501.8	56 239.5
IAPSO	5 946.5	2 552.1	8 498.6
UNV	32 196.1	0.0	32 196.1
National execution	2 715.7	0.0	2 715.7
Total project/programme implementation services	77 384.7	28 053.9	105 438.6
Programme support c/	2 300.0	0.0	2 300.0
Total Programme support and development activities	100 350.9	28 053.9	128 404.8
C. Total resources of UNDP			
Gross resources	582 326.5	70 002.7	652 329.2
Estimated income b/	32 000.0	0.0	32 000.0
Net UNDP resources	550 326.5	70 002.7	620 329.2
II. RESOURCES OF TRUST FUNDS			
A. UNCDF	10 826.4	0.0	10 826.4
B. UNRFNRE and UNFSTD	4 551.7	171.2	4 722.9
C. UNSO	8 173.2	2 544.9	10 718.1
D. UNIFEM	5 408.5	309.2	5 717.7
Total resources of trust funds	28 959.8	3 025.3	31 985.1
III. TOTAL UNDP APPROPRIATIONS			
Gross appropriations	611 286.3	73 028.0	684 314.3
Estimated income b/	32 000.0	0.0	32 000.0
Net UNDP appropriations	579 286.3	73 028.0	652 314.3

a/ Headquarters extra-budgetary income represents income from external sources, exclusive of reimbursements to UNDP-core from non-core units. The reimbursements are already included in the appropriation estimates of the non-core units.
b/ Includes estimated income of $31.6 million from host government contributions in cash.
c/ Represents UNDP's contribution to CGIAR and UNDP-UNSO/UNEP joint venture.

Table 2. Revised 1990-1991 and proposed 1992-1993 UNDP biennial budget estimates showing gross, income and net estimates, by appropriation line

(Thousands of United States dollars)

Source of funds/appropriation	1990-1991					1992-1993			
	Approved appropriations	Increase/(decrease) Volume	Cost	Total	Revised estimate	Increase/(decrease) Volume	Cost	Total	1992-1993 estimate
I. RESOURCES of UNDP									
A. UNDP core activities									
Headquarters	150 127.2	.0	2 578.2	2 578.2	152 705.4	(20 720.4)	16 209.6	(4 510.8)	148 194.6
Field offices	284 177.4	.0	4 585.7	4 585.7	288 763.1	(5 568.8)	50 586.7	45 017.9	333 781.0
Gross UNDP core activities	434 304.6	.0	7 163.9	7 163.9	441 468.5	(26 289.2)	66 796.3	40 507.1	481 975.6
Estimated income	29 940.0	.0	1 000.0	1 000.0	30 940.0	.0	1 060.0	1 060.0	32 000.0
Net UNDP core activities	404 364.6	.0	6 163.9	6 163.9	410 528.5	(26 289.2)	65 736.3	39 447.1	449 975.6
B. Programme support and development activities									
Programme development activities	350.0	.0	3.2	3.2	353.2	18 685.6	1 627.4	20 313.0	20 666.2
Project/programme implementation gross/net appropriations									
DSS	5 000.0	.0	.0	.0	5 000.0	.0	788.7	788.7	5 788.7
OPS	25 242.5	649.0	591.3	1 240.3	26 482.8	649.0	3 605.9	4 254.9	30 737.7
IAPSO	4 446.8	.0	349.8	349.8	4 796.6	83.6	1 066.3	1 149.9	5 946.5
UNV	24 351.0	904.4	2 468.4	3 372.8	27 723.8	1 168.5	3 303.8	4 472.3	32 196.1
National execution	2 400.0	.0	61.4	61.4	2 461.4	.0	254.3	254.3	2 715.7
Total project/programme implementation services	61 440.3	1 553.4	3 470.9	5 024.3	66 464.6	1 901.1	9 019.0	10 920.1	77 384.7
Programme support	.0	.0	.0	.0	.0	2 300.0	.0	2 300.0	2 300.0
Total programme support and development activities	61 790.3	1 553.4	3 474.1	5 027.5	66 817.8	22 886.7	10 646.4	33 533.1	100 350.9
C. Total resources of UNDP									
Gross appropriations	496 094.9	1 553.4	10 638.0	12 191.4	508 286.3	(3 402.5)	77 442.7	74 040.2	582 326.5
Estimated income	29 940.0	.0	1 000.0	1 000.0	30 940.0	.0	1 060.0	1 060.0	32 000.0
Net UNDP resources	466 154.9	1 553.4	9 638.0	11 191.4	477 346.3	(3 402.5)	76 382.7	72 980.2	550 326.5
II. RESOURCES OF TRUST FUNDS: GROSS/NET APPROPRIATIONS									
A. UNCDF	9 756.6	.0	83.3	83.3	9 839.9	(261.3)	1 247.8	986.5	10 826.4
B. UNRFNRE and UNFSTD	5 670.6	.0	37.9	37.9	5 708.5	(1 247.5)	90.7	(1 156.8)	4 551.7
C. UNSO	6 621.4	.0	80.0	80.0	6 701.4	117.1	1 354.7	1 471.8	8 173.2
D. UNIFEM	4 123.6	.0	69.8	69.8	4 193.4	363.0	852.1	1 215.1	5 408.5
Total resources of trust funds	26 172.2	.0	271.0	271.0	26 443.2	(1 028.7)	3 545.3	2 516.6	28 959.8
III. TOTAL UNDP APPROPRIATIONS									
Gross appropriations	522 267.1	1 553.4	10 909.0	12 462.4	534 729.5	(4 431.2)	80 988.0	76 556.8	611 286.3
Estimated income	29 940.0	.0	1 000.0	1 000.0	30 940.0	.0	1 060.0	1 060.0	32 000.0
Net UNDP appropriations	492 327.1	1 553.4	9 909.0	11 462.4	503 789.5	(4 431.2)	79 928.0	75 496.8	579 286.3

Table 3. Estimated distribution of UNDP gross biennial budget estimates by programme and organizational unit a/
(Thousands of United States dollars)

Organizational Unit	1990-1991 estimates			1992-1993 estimates			
				Estimated additional requirements			
	1990-1991 approved appropriation	Cost increase/ (decrease)	1990-1991 revised estimate	Volume increase/ (decrease)	Cost increase/ (decrease)	Total increase/ (decrease)	Total 1992-1993 estimates
I. UNDP CORE ACTIVITIES							
A. Headquarters							
1. Office of the Administrator							
a. Office of the Administrator	3 260.4	286.8	3 547.2	(112.8)	69.8	(43.0)	3 504.2
b. Division of Personnel	10 030.4	127.5	10 157.9	(1 294.2)	1 175.8	(118.4)	10 039.5
c. Planning and Coordinatation Office	2 066.5	27.0	2 093.5	(448.0)	146.4	(301.6)	1 791.9
d. Division for Global and Interregional Programmes	2 921.2	25.9	2 947.1	(1 446.4)	166.2	(1 280.2)	1 666.9
e. Division for Audit and Management Review	3 959.5	68.7	4 028..	(453.8)	398.6	(55.2)	3 973.0
f. Division of External Relations and Governing Council Secretatiat	2 679.0	252.6	2 931.6	(234.6)	501.9	267.3	3 198.9
g. Special unit for TCDC/INRES	2 707.3	41.6	2 748.9	(2 748.9)	.0	(2 748.9)	.0
Subtotal, A.1.	27 624.3	830.1	28 454.4	(6 738.7)	2 458.7	(4 280.0)	24 174.4
2. Bureau for Programme Policy and Evaluation	15 136.2	272.4	15 408.6	(2 322.6)	1 445.1	(877.5)	14 531.1
3. Bureau for Finance and Administration							
a. Office of the Assistant Administrator	5 611.2	70.5	5 681.7	(411.1)	575.3	164.2	5 845.9
b. Division of Finance	14 105.1	125.4	14 230.5	(1 943.9)	1 614.3	(329.6)	13 900.9
c. Division of Administrative and Management Services	24 673.4	255.9	24 929.3	(1 326.6)	3 424.4	2 097.8	27 027.1
d. Division of Management Information Services	11 745.0	32.7	11 777.7	(540.4)	1 458.1	917.7	12 695.4
Subtotal, A.3.	56 134.7	484.5	56 619.2	(4 222.0)	7 072.1	2 850.1	59 469.3
4. Bureau for Resources and Special Activities							
a. Office of the Assistant Administrator	2 042.8	(9.2)	2 033.6	(4.1)	249.0	244.9	2 278.5
b. Division of Information	7 392.7	76.0	7 468.7	(1 057.8)	734.0	(323.8)	7 144.9
c. Resources Mobilization Unit	1 065.5	5.0	1 070.5	(31.9)	122.2	90.3	1 160.8
d. UNDP office at Geneva	4 928.4	438.6	5 367.0	(1 385.8)	557.4	(828.4)	4 538.6
Subtotal,A.4.	15 429.4	510.4	15 939.8	(2 479.6)	1 662.6	(817.0)	15 122.8

Table 3. (continued)

Organizational Unit	1990-1991 estimates			1992-1993 estimates			
				Estimated additional requirements			
	1990-1991 approved appropriation	Cost increase/ (decrease)	1990-1991 revised estimate	Volume increase/ (decrease)	Cost increase/ (decrease)	Total increase/ (decrease)	Total 1992-1993 estimates
5. Regional Bureau for Africa	16 522.7	193.5	16 716.2	(2 915.0)	1 551.3	(1 363.7)	15 352.5
6. Regional Bureau for Arab States and Europe	5 519.7	59.7	5 579.4	(321.9)	625.3	303.4	5 882.8
7. Regional Bureau for Asia and the Pacific	8 439.3	124.3	8 563.6	(1 021.8)	854.5	(167.3)	8 396.3
8. Regional Bureau for Latin America and the Caribbean	5 320.9	103.3	5 424.2	(698.8)	540.0	(158.8)	5 265.4
Subtotal, A.5.-8.	35 802.6	480.8	36 283.4	(4 957.5)	3 571.1	(1 386.4)	34 897.0
Total, I.A.	150 127.2	2 578.2	152 705.4	(20 720.4)	16 209.6	(4 510.8)	148 194.6
B. Field offices							
1. Africa	117 571.9	2 750.2	120 322.1	(4 976.5)	18 784.8	13 808.3	134 130.4
2. Arab States and Europe	50 589.4	513.7	51 103.1	(154.3)	10 282.1	10 127.8	61 230.9
3. Asia and the Pacific	67 565.7	462.1	68 027.8	(1 072.6)	12 755.1	11 682.5	79 710.3
4. Latin America and the Caribbean	42 403.6	678.6	43 082.2	123.9	8 036.0	8 159.9	51 242.1
Subtotal, B.1.4.	278 130.6	4 404.6	282 535.2	(6 079.5)	49 858.0	43 778.5	326 313.7
5. Field Office support non-specific to country	6 046.8	181.1	6 227.9	510.7	728.7	1 239.4	7 467.3
Total, I.B.	284 177.4	4 585.7	288 763.1	(5 568.8)	50 586.7	45 017.9	333 781.0
Total, I.	434 304.6	7 163.9	441 468.5	(26 289.2)	66 796.3	40 507.1	481 975.6
II. PROGRAMME SUPPORT AND DEVELOPMENT ACTIVITIES							
A. Programme development activities							
1. Bureau for Programme Policy and Evaluation	.0	.0	.0	8 152.0	801.0	8 953.0	8 953.0
2. BRESA/UNISTAR	350.0	3.2	353.2	(353.2)	.0	(353.2)	.0
3. TCDC/INRES	.0	.0	.0	3 370.2	299.9	3 670.1	3 670.1
4. Economists	.0	.0	.0	7 516.6	526.5	8 043.1	8 043.1
Subtotal, II.A.	350.0	3.2	353.2	18 685.6	1 627.4	20 313.0	20 666.2

Table 3. (continued)

Organizational Unit	1990-1991 estimates			1992-1993 estimates			
				Estimated additional requirements			
	1990-1991 approved appropriation	Cost increase/ (decrease)	1990-1991 revised estimate	Volume increase/ (decrease)	Cost increase/ (decrease)	Total increase/ (decrease)	Total 1992-1993 estimates
B. Project/programme implementation service							
1. DSS	5 000.0	.0	5 000.0	.0	788.7	788.7	5 788.7
2. OPS	25 242.5	1 240.3	26 482.8	649.0	3 605.9	4 254.9	30 737.7
3. IAPSO	4 446.8	349.8	4 796.6	83.6	1 066.3	1 149.9	5 946.5
4. UNV	24 351.0	3 372.8	27 723.8	1 168.5	3 303.8	4 472.3	32 196.1
5. National execution	2 400.0	61.4	2 461.4	.0	254.3	254.3	2 715.7
Subtotal II.B.	61 440.3	5 024.3	66 464.6	1 901.1	9 019.0	10 920.1	77 384.7
C. Programme support	.0	.0	.0	2 300.0	.0	2 300.0	2 300.0
Total, II.	61 790.3	5 027.5	66 817.8	22 886.7	10 646.4	33 533.1	100 350.9
Total resources of UNDP I. and II.	496 094.9	12 191.4	508 286.3	(3 402.5)	77 442.7	74 040.2	582 326.5
III. TRUST FUNDS							
A. Bureau for Resources and Special Activities							
1. UNCDF	9 756.6	83.3	9 839.9	(261.3)	1 247.8	986.5	10 826.4
2. UNRFNRE and UNFSTD	5 670.6	37.9	5 708.5	(1 247.5)	90.7	(1 156.8)	4 551.7
3. UNSO	6 621.4	80.0	6 701.4	117.1	1 354.7	1 471.8	8 173.2
Subtotal III.A.	22 048.6	201.2	22 249.8	(1 391.7)	2 693.2	1 301.5	23 551.3
B. UNIFEM	4 123.6	69.8	4 193.4	363.0	852.1	1 215.1	5 408.5
Total III.	26 172.2	271.0	26 443.2	(1 028.7)	3 545.3	2 516.6	28 959.8
TOTAL UNDP APPROPRIATIONS I.-III.	522 267.1	12 462.4	534 729.5	(4 431.2)	80 988.0	76 556.8	611 286.3

a/ Units of the present table correspond to the tables listed in Volume II of the present report.

I)

Table 4.(a) Estimated distribution of revised UNDP 1990-1991 gross biennial budget estimates by source of funds, appropriation line and major category of expenditure

(Thousands of United States dollars)

Source of funds/ appropriation line	Major categories of expenditure								
	Salaries and wages	Common staff costs	Travel on official business	Contractual services	General operating expenses	Supplies and materials	Aquisition furniture/ equipment	Reimbursements	Total
I. RESOURCES OF UNDP									
A. UNDP core activities									
Field Offices	129 742.6	90 935.9	5 160.1	3 501.4	38 029.4	5 972.5	12 462.2	2 959.0	288 763.1
Headquarters	68 565.1	39 984.1	5 023.1	4 825.8	23 032.0	1 370.9	1 300.8	8 603.6	152 705.4
Total UNDP core activities	198 307.7	130 920.0	10 183.2	8 327.2	61 061.4	7 343.4	13 763.0	11 562.6	441 468.5
B. Programme support and development activities									
Programme development activities	183.0	74.6	45.5	.0	43.0	.0	7.1	.0	353.2
Project/programme implementation services									
DSS	5 000.0	.0	.0	.0	.0	.0	.0	.0	5 000.0
OPS	11 080.5	5 345.1	646.7	761.0	3 632.3	308.6	336.0	4 372.6	26 482.8
IAPSO	2 380.0	852.1	140.7	205.9	529.7	64.0	82.9	541.3	4 796.6
UNV	13 124.7	5 972.5	1 006.8	922.3	2 687.7	506.7	680.6	2 822.5	27 723.8
National execution	1 461.3	415.0	334.2	.0	156.5	.0	96.4	.0	2 461.4
Total project/programme implementation services	33 046.5	12 584.7	2 128.4	1 889.2	7 006.2	879.3	1 193.9	7 736.4	66 464.6
Total programme support and development activities	33 229.5	12 659.3	2 173.9	1 889.2	7 049.2	879.3	1 201.0	7 736.4	66 817.8
Total resources of UNDP	231 537.2	143 579.3	12 357.1	10 216.4	68 110.6	8 222.7	14 964.0	19 299.0	508 286.3
II. RESOURCES OF TRUST FUNDS									
A. UNCDF	4 164.9	2 167.8	424.2	247.5	1 200.4	60.6	163.1	1 411.4	9 839.9
B. UNRFNRE and UNFSTD	2 176.7	1 163.9	97.7	92.1	970.5	23.1	66.3	1 118.2	5 708.5
C. UNSO	2 553.9	1 625.7	303.1	86.1	921.8	73.2	120.4	1 017.2	6 701.4
D. UNIFEM	1 982.3	1 084.9	92.6	107.2	410.3	51.7	64.5	399.9	4 193.4
Total resources of trust funds	10 877.8	6 042.3	917.6	532.9	3 503.0	208.6	414.3	3 946.7	26 443.2
III. TOTAL UNDP APPROPRIATIONS	242 415.0	149 621.6	13 274.7	10 749.3	71 613.6	8 431.3	15 378.3	23 245.7	534 729.5

Table 4.(b) Estimated distribution of proposed UNDP 1992-1993 gross biennial budget estimates by source of funds appropriation line and major category of expenditure

(Thousands of United States dollars)

Source of funds/ appropriation line	Major categories of expenditure								
	Salaries and wages	Common staff costs	Travel on official business	Contractual services	General operating expenses	Supplies and materials	Aquisition furniture/ equipment	Reimbursements	Total
I. RESOURCES OF UNDP									
A. UNDP core activities									
Field offices	150 940.9	100 035.2	6 348.9	4 131.2	47 169.1	7 336.2	14 596.3	3 223.2	333 781.0
Headquarters	64 902.9	37 247.1	5 041.5	4 878.0	24 531.0	1 938.2	3 147.4	6 508.5	148 194.6
Total UNDP core activities	215 843.8	137 282.3	11 390.4	9 009.2	71 700.1	9 274.4	17 743.7	9 731.7	481 975.6
B. Programme support and development activities									
Programme development activities	10 484.2	7 370.8	321.2	477.0	1 568.6	80.4	364.0	.0	20 666.2
Project/programme implementation services									
DSS	5 788.7	.0	.0	.0	.0	.0	.0	.0	5 788.7
OPS	12 690.5	5 968.3	809.3	792.4	4 152.8	442.0	516.4	5 366.0	30 737.7
IAPSO	2 834.1	1 049.6	135.8	219.4	774.5	63.1	93.5	776.5	5 946.5
UNV	15 599.8	6 775.1	1 173.6	1 412.7	3 136.1	628.8	935.0	2 535.0	32 196.1
National Execution	1 642.2	438.4	366.0	.0	257.8	.0	11.3	.0	2 715.7
Total project/programme implementation services	38 555.3	14 231.4	2 484.7	2 424.5	8 321.2	1 133.9	1 556.2	8 677.5	77 384.7
Programme support	.0	.0	.0	.0	.0	.0	.0	2 300.0	2 300.0
Total programme support development activities	49 039.5	21 602.2	2 805.9	2 901.5	9 889.8	1 214.3	1 920.2	10 977.5	100 350.9
C. Total resources of UNDP	264 883.3	158 884.5	14 196.3	11 910.7	81 589.9	10 488.7	19 663.9	20 709.2	582 326.5
II. RESOURCES OF TRUST FUNDS									
A. UNCDF	4 788.9	2 436.3	502.4	173.6	1 068.5	87.9	297.4	1 471.4	10 826.4
B. UNRFNRE and UNFSTD	2 000.8	1 053.9	107.5	11.8	553.5	21.1	17.6	785.5	4 551.7
C. UNSO	2 818.9	1 764.0	353.7	66.9	1 187.9	84.2	218.5	1 679.1	8 173.2
D. UNIFEM	2 467.0	1 316.7	131.8	134.0	518.1	53.8	58.1	729.0	5 408.5
Total resources of trust funds	12 075.6	6 570.9	1 095.4	386.3	3 328.0	247.0	591.6	4 665.0	28 959.8
III. TOTAL UNDP APPROPRIATIONS	276 958.9	165 455.4	15 291.7	12 297.0	84 917.9	10 735.7	20 255.5	25 374.2	611 286.3

Table 5. Estimated distribution, by object of expenditure category, of UNDP gross biennial budget estimates for UNDP core activities: 1990-1993

(Thousands of United States dollars)

Object of expenditure category	1990-1991 estimates			1992-1993 estimates			
				Estimated additional requirements			
	Approved appropriations	Cost increase (decrease)	Revised estimates	Volume increase (decrease)	Cost increase (decrease)	Total increase (decrease)	Total 1992-1993 estimates
A. Salaries and wages							
Established posts	187 883.4	(1 142.0)	186 741.4	(13 522.5)	30 199.0	16 676.5	203 417.9
Temporary posts	1 784.4	75.7	1 860.1	.0	314.5	314.5	2 174.6
Temporary assistance	3 291.4	46.1	3 337.5	(329.6)	469.6	140.0	3 477.5
Consultants	3 139.5	387.6	3 527.1	44.7	101.8	146.5	3 673.6
Overtime	2 811.3	30.3	2 841.6	(222.2)	480.8	258.6	3 100.2
Subtotal A.	198 910.0	(602.3)	198 307.7	(14 029.6)	31 565.7	17 536.1	215 843.8
B. Common staff costs							
Staff allowances	26 766.5	2 729.3	29 495.8	(2 212.9)	3 560.9	1 348.0	30 843.8
Pensions and medical	45 522.7	(383.3)	45 139.4	(3 940.4)	5 376.3	1 435.9	46 575.3
Education grants and travel	7 227.3	361.1	7 588.4	(507.7)	1 060.9	553.2	8 141.6
Home leave	4 141.0	530.1	4 671.1	(439.0)	471.1	32.1	4 703.2
Reassignment and travel	14 419.6	622.4	15 042.0	(696.6)	1 591.9	895.3	15 937.3
Appointment, transfer and separation	10 570.8	991.9	11 562.7	(521.2)	1 224.8	703.6	12 266.3
Security	299.4	2.6	302.0	(171.0)	11.3	(159.7)	142.3
Training	6 022.9	58.3	6 081.2	1 000.0	786.7	1 786.7	7 867.9
Other common staff costs, including reimbursement of taxes	11 177.5	(140.1)	11 037.4	(1 325.1)	1 092.3	(232.8)	10 804.6
Subtotal B.	126 147.7	4 772.3	130 920.0	(8 813.9)	15 176.2	6 362.3	137 282.3
C. Travel on official business							
Travel to official meetings	1 311.9	12.5	1 324.4	(25.6)	141.2	115.6	1 440.0
Other staff travel	8 748.5	110.3	8 858.8	(124.6)	1 216.2	1 091.6	9 950.4
Subtotal C.	10 060.4	122.8	10 183.2	(150.2)	1 357.4	1 207.2	11 390.4
D. Contractual services							
Information contracts, including printing and binding	3 828.1	98.4	3 926.5	(317.6)	555.9	238.3	4 164.8
Translation	593.6	7.9	601.5	(134.1)	52.7	(81.4)	520.1
Systems development contracts	3 799.2	.0	3 799.2	(19.5)	544.6	525.1	4 324.3
Subtotal D.	8 220.9	106.3	8 327.2	(471.2)	1 153.2	682.0	9 009.2

Table 5. (continued)

Object of expenditure category	1990-1991 estimates			1992-1993 estimates			
				Estimated additional requirements			
	Approved appropriations	Cost increase (decrease)	Revised estimates	Volume increase (decrease)	Cost increase (decrease)	Total increase (decrease)	Total 1992-1993 estimates
E. General operating expenses							
Rental and maintenance of premises	24 999.3	1 325.2	26 324.5	(1 221.0)	5 485.1	4 264.1	30 588.6
Utilities	4 038.5	113.3	4 151.8	45.4	898.9	944.3	5 096.1
Rental and maintenance of furniture, equipment, and supplies	8 170.3	343.4	8 513.7	(81.9)	2 133.5	2 051.6	10 565.3
Communications	14 473.0	409.3	14 882.3	185.1	2 655.7	2 840.8	17 723.1
Hospitality	477.8	9.8	487.6	(5.4)	103.2	97.8	585.4
Rental and maintenance of computer equipment	2 766.7	.0	2 766.7	(797.7)	285.1	(512.6)	2 254.1
Miscellaneous services	3 838.4	96.4	3 934.8	53.6	899.1	952.7	4 887.5
Subtotal E.	58 764.0	2 297.4	61 061.4	(1 821.9)	12 460.6	10 638.7	71 700.1
F. Supplies and materials							
Stationery and office supplies	7 031.8	311.6	7 343.4	340.8	1 590.2	1 931.0	9 274.4
Subtotal F.	7 031.8	311.6	7 343.4	340.8	1 590.2	1 931.0	9 274.4
G. Acquisition of furniture and equipment							
Office furniture and equipment	5 015.4	(109.1)	4 906.3	743.5	920.1	1 663.6	6 569.9
Computer equipment	4 228.3	6.0	4 234.3	1 197.0	788.0	1 985.0	6 219.3
Vehicles	3 788.3	(44.6)	3 743.7	90.0	647.4	737.4	4 481.1
Security equipment	870.8	7.9	878.7	(452.5)	47.2	(405.3)	473.4
Subtotal G.	13 902.8	(139.8)	13 763.0	1 578.0	2 402.7	3 980.7	17 743.7
H. Reimbursements							
UNDP reimbursement for HYCS/ICC	459.5	22.2	481.7	(437.0)	6.8	(430.2)	51.5
UNDP contribution to field office common services account	499.1	(17.0)	482.1	.0	(5.4)	(5.4)	476.7
Contributions to joint activities	4 259.8	264.3	4 524.1	(2 184.2)	458.8	(1 725.4)	2 798.7
UNDP reimbursement to the United Nations	6 048.6	26.1	6 074.7	(300.0)	630.1	330.1	6 404.8
Subtotal H.	11 267.0	295.6	11 562.6	(2 921.2)	1 090.3	(1 830.9)	9 731.7
Grand Total	434 304.6	7 163.9	441 468.5	(26 289.2)	66 796.3	40 507.1	481 975.6

Table 6(a). Estimated distribution of revised 1990-1991 UNDP gross biennial budget estimates for electronic data processing and related expenditures a/

(Thousands of United States dollars)

Source of funds/ appropriation line	Major categories of expenditure					
	Staff costs	Systems development contracts	Leases license maintenance	Acquisition of hardware, software and EDP supplies	Shared computer services	Total
I. RESOURCES OF UNDP						
A. UNDP core activities						
Headquarters	6 745.7	1 367.8	2 429.5	1 013.9	481.7	12 038.6
Field Offices	800.0	2 431.4	337.2	3 553.4	0.0	7 122.0
Total UNDP core activities	7 545.7	3 799.2	2 766.7	4 567.3	481.7	19 160.6
B. Programme support development activities						
Programme development activities	0.0	0.0	0.0	0.0	0.0	0.0
Project/programme implementation services						
DSS	0.0	0.0	0.0	0.0	0.0	0.0
OPS	0.0	549.0	0.0	230.9	194.6	974.5
IAPSO	0.0	130.6	0.0	74.6	0.0	205.2
UNV	0.0	458.0	0.0	383.9	171.7	1 013.6
National execution	0.0	0.0	0.0	53.6	0.0	53.6
Total project/programme implementation services	0.0	1 137.6	0.0	743.0	366.3	2 246.9
Total Programme support and development activities	0.0	1 137.6	0.0	743.0	366.3	2 246.9
Total resources of UNDP	7 545.7	4 936.8	2 766.7	5 310.3	848.0	21 407.5
II. RESOURCES OF TRUST FUNDS						
A. UNCDF	0.0	91.5	0.0	97.3	0.0	188.8
B. UNRFHRE and UNFSTD	0.0	48.6	9.2	52.3	0.0	110.1
C. UNSO	0.0	54.4	0.0	57.3	0.0	111.7
D. UNIFEM	0.0	25.0	9.1	10.0	10.3	54.4
Total resources of trust funds	0.0	219.5	18.3	216.9	10.3	465.0
Total UNDP Appropriations	7 545.7	5 156.3	2 785.0	5 527.2	858.3	21 872.5

a/ This table is not fully representative of total UNDP-EDP costs. It shows only those items which are separately identifiable in the budget.

/...

Table 6(b). Estimated distribution of proposed 1992-1993 UNDP gross biennial budget estimates for electronic data processing and related expenditures a/

(Thousands of United States dollars)

Source of funds/ appropriation line	Major categories of expenditure					
	Staff costs	Systems development contracts	Leases license maintenance	Acquisition of hardware, software and EDP supplies	Shared computer services	Total
I. RESOURCES OF UNDP						
A. UNDP core activities						
Headquarters	6 311.2	1 727.3	2 219.8	2 646.7	51.5	12 956.5
Field Offices	1 647.7	2 765.0	34.3	3 904.9	0.0	8 351.9
Total UNDP core activities	7 958.9	4 492.3	2 254.1	6 551.6	51.5	21 308.4
B. Programme support development activities						
Programme development activities	0.0	206.1	0.0	219.4	0.0	425.5
Project/programme implementation services						
DSS	0.0	0.0	0.0	0.0	0.0	0.0
OPS	0.0	462.2	27.1	344.7	264.8	1 098.8
IAPSO	0.0	145.7	0.0	85.3	12.0	243.0
UNV	0.0	711.0	0.0	530.9	259.0	1 500.9
National execution	0.0	0.0	0.0	0.0	0.0	0.0
Total project/programme implementation services	0.0	1 318.9	27.1	960.9	535.8	2 842.7
Programme support	0.0	0.0	0.0	0.0	0.0	0.0
Total Programme support and development activities	0.0	1 525.0	27.1	1 180.3	535.8	3 268.2
Total resources of UNDP	7 958.9	6 017.3	2 281.2	7 731.9	587.3	24 576.6
II. RESOURCES OF TRUST FUNDS						
A. UNCDF	0.0	22.8	59.4	256.7	0.0	338.9
B. UNRFNRE and UNFSTD	0.0	0.0	6.6	0.0	0.0	6.6
C. UNSO	0.0	44.5	3.1	0.0	0.0	47.6
D. UNIFEM	0.0	35.6	9.2	35.5	3.5	83.8
Total resources of trust funds	0.0	102.9	78.3	292.2	3.5	476.9
Total UNDP appropriations	7 958.9	6 120.2	2 359.5	8 024.1	590.8	25 053.5

a/ This table is not fully representative of total UNDP-EDP costs. It shows only those items which are separately identifiable in the budget.

Table 7. UNDP 1992-1993 estimates for activities financed from extrabudgetary sources, by source of funds and organizational unit

(Thousands of United States dollars)

Source of funds/organizational unit	Revised 1990-1991 estimates	Estimated increase (decrease)	1992-1993 estimates
I. SUPPORT SERVICES PROVIDED BY UNDP CORE ACTIVITIES TO UNDP NON-CORE ACTIVITIES, OTHER ORGANIZATIONS AND TRUST FUNDS.			
A. Office of the Administrator			
Office of the Administrator	548.4	61.7	610.1
Planning and Co-ordination Office	323.6	20.8	344.4
Division of External Relations and Governing Council Secretariat	533.8	5.7	539.5
Division of Personnel	4 208.0	1 104.1	5 312.1
Division for Audit and Management Review	2 002.3	159.7	2 162.0
Subtotal I.A.	7 616.1	1 352.0	8 968.1
B. Bureau for Finance and Administration			
Office of the Assistant Administrator	561.0	61.0	622.0
Division of Finance	3 808.7	354.7	4 163.4
Division of Management Information Services	3 376.9	370.9	3 747.8
Division for Administrative and Management Services	4 772.7	636.7	5 409.4
Subtotal I.B.	12 519.3	1 423.3	13 942.6
C. Bureau for Resources and Special Activities			
Office of the Assistant Administrator	669.0	56.1	725.1
Resource Mobilization Unit	.0	.0	.0
UNDP office at Geneva	836.6	(477.8)	358.8
Division of Information	69.8	47.3	117.1
Subtotal I.C.	1 575.4	(374.4)	1 201.0
D. Regional bureaux			
Arab States and Europe	.0	232.3	232.3
Latin America and the Caribbean	.0	429.6	429.6
Subtotal I.D.	.0	661.9	661.9
Total support services provided by UNDP core activities to UNDP non-core activities, other organizations and trust funds	21 710.8	3 062.8	24 773.6
II. PROGRAMME AND ADMINISTRATIVE SUPPORT RELATED TO FIELD OFFICE ACTIVITIES			
A. Field Offices			
Africa	4 233.0	127.8	4 360.8
Arab States and Europe	10 317.2	333.4	10 650.6
Asia and the Pacific	3 598.9	113.3	3 712.2
Latin America and the Caribbean	7 597.2	228.0	7 825.2
Subtotal II.A.	25 746.3	802.5	26 548.8
B. Headquarters			
1. Office of the Administrator			
Office of the Administrator	638.7	(638.7)	.0
Planning and Co-ordination Office	61.0	1.8	62.8
Division of Personnel	1 138.1	42.2	1 180.3
Division for Audit and Management Review	.0	.0	.0
Division for Global and Interregional Programmes	803.8	24.2	828.0
Bureau for Programme Policy and Evaluation	252.2	9.2	261.4
Subtotal II.B.1.	2 893.8	(561.3)	2 332.5

Table 7. (continued)

Source of funds/organizational unit	Revised 1990-1991 estimates	Estimated increase (decrease)	1992-1993 estimates
2. Regional bureaux	910.4	(273.2)	637.2
Africa	530.8	16.2	547.0
Arab States and Europe	968.4	29.8	998.2
Asia and the Pacific	782.8	23.6	806.4
Latin America and the Caribbean	3 192.4	(203.6)	2 988.8
Subtotal II.B.2.			
3. Bureau for Finance and Administration	1 025.4	31.0	1 056.4
Division of Finance	376.2	11.4	387.6
Division for Administrative and Management Services	1 401.6	42.4	1 444.0
Subtotal II.B.3.			
Subtotal II.B.	7 487.8	(722.5)	6 765.3
Total programme and administrative support related to field office activities	33 234.1	80.0	33 314.1
III. SUPPORT SERVICES PROVIDED BY UNDP NON-CORE ACTIVITIES FINANCED FROM EXTRABUDGETARY SOURCES			
A. OPS	21 641.1	3 860.7	25 501.8
B. IAPSO	2 035.5	516.6	2 552.1
C. UNRFNRE/UNFSTD	288.9	(117.7)	171.2
D. UNSO	1 401.2	143.7	1 544.9
UNSO	2 000.0	.0	2 000.0
UNDP-UNSO/UNEP joint venture	3 401.2	143.7	3 544.9
Total UNSO			
E. UNIFEM	128.9	180.3	309.2
Total support services provided by UNDP non-core activities financed from extrabudgetary sources	27 495.6	4 583.6	32 079.2
Total UNDP activities financed from extrabudgetary sources	82 440.5	7 726.4	90 166.9

Table 8. UNDP estimates for activities financed from extrabudgetary sources by major category of expenditure, 1990-1993

(Thousands of United States dollars)

Major category of expenditure	UNDP CORE ACTIVITIES			PROGRAMME SUPPORT ACTIVITIES			TRUST ACTIVITIES		
	Revised 1990-1991 estimates	Estimated increase/ (decrease)	1992-1993 estimates	Revised 1990-1991 estimates	Estimated increase/ (decrease)	1992-1993 estimates	Revised 1990-1991 estimates	Estimated increase/ (decrease)	1992-1993
Salaries and wages	28 913.3	1 482.6	30 395.9	9 510.8	1 124.2	10 635.0	1 994.0	302.7	2 296.7
Common staff costs	11 783.5	947.1	12 730.6	4 175.0	501.5	4 676.5	1 117.5	141.7	1 259.2
Travel on official business	1 248.2	18.8	1 267.0	590.8	99.8	690.6	213.4	(56.9)	156.5
Contractual services	2 272.6	259.3	2 531.9	1 258.7	819.7	2 078.4	17.1	(14.0)	3.1
General operating expenses	5 282.9	463.4	5 746.3	3 592.1	679.3	4 271.4	397.2	(140.1)	257.1
Supplies and materials	583.4	35.8	619.2	371.6	95.4	467.0	26.3	(4.3)	22.0
Acquisition of furniture and equipment	4 208.4	(126.4)	4 082.0	581.7	272.2	853.9	53.5	(22.8)	30.7
Other expenditures	652.6	62.2	714.8	3 595.9	785.2	4 381.1	.0	.0	.0
Total	54 944.9	3 142.8	58 087.7	23 676.6	4 377.3	28 053.9	3 819.0	206.3	4 025.3

Table 9. Proposed UNDP 1992-1993 biennial budget staffing requirements

I. UNDP CORE RESOURCES

A. Headquarters

Level	Established posts		Temporary posts: Budgetary		Temporary posts: Extrabudgetary		Total	
	1990-1991	1992-1993 a/	1990-1991	1992-1993	1990-1991	1992-1993	1990-1991	1992-1993 a/
Professional category and above								
Administrator	1	1	0	0	0	0	1	1
Assoc. Admin.	1	1	0	0	0	0	1	1
Asst. Admin.	7	7	0	0	0	0	7	7
D-2	21	18	0	0	0	0	21	18
D-1	41	40	0	0	1	2	42	42
P-5	75	62	0	0	12	12	87	74
P-4	57	45	0	0	18	23	75	68
P-3	46	36	0	0	25	23	71	59
P-2/1	11	8	0	0	15	15	26	23
Total	260	218	0	0	71	75	331	293
General Service category								
Senior level	129	126	0	0	37	36	166	162
Other levels	258	185	0	0	83	81	341	266
Manual	6	8	0	0	2	2	8	10
Total	393	319	0	0	122	119	515	438
Grand total	653	537	0	0	193	194	846	731

a/ Excludes TCDC/INRES and those of BPPE posts transferred to PSDA.

Table 9. (continued)

B. Field offices

Level	Established posts		Temporary posts: Budgetary		Temporary posts: Extrabudgetary		Total	
	1990-1991	1992-1993 b/	1990-1991	1992-1993	1990-1991	1992-1993	1990-1991	1992-1993 b/
Professional category & above								
Asst. Admin.	0	0	0	0	0	0	0	0
D-2	33	33	0	0	0	0	33	33
D-1	73	68	0	0	0	0	73	68
P-5	113	95	1	1	0	0	114	96
P-4	112	111	12	12	6	6	130	129
P-3	98	98	3	3	8	8	109	109
P-2/1	35	43	0	0	4	4	39	47
Total	464	448	16	16	18	18	498	482
Field Service	55	46	0	0	1	1	56	47
Total international staff	519	494	16	16	19	19	554	529
Local staff								
National Officers	369	396	0	0	40	40	409	436
Local staff	2 804	2 818	0	0	534	534	3 338	3 352
Total	3 173	3 214	0	0	574	574	3 747	3 788
Grand total	3 692	3 708	16	16	593	593	4 301	4 317

b/ Excludes Economist posts (6 D-1 and 21 P-5) transferred to programme support development activities (PSDA).

Table 9. (continued)

C. Total UNDP core resources

Level	Established posts		Temporary posts: Budgetary		Temporary posts: Extrabudgetary		Total	
	1990-1991	1992-1993 c/	1990-1991	1992-1993	1990-1991	1992-1993	1990-1991	1992-1993 c/
Professional category and above								
Administrator	1	1	0	0	0	0	1	1
Assoc. Admin.	1	1	0	0	0	0	1	1
Asst. Admin.	7	7	0	0	0	0	7	7
D-2	54	51	0	0	0	0	54	51
D-1	114	108	0	0	1	2	115	110
P-5	188	157	1	1	12	12	201	170
P-4	169	156	12	12	24	29	205	197
P-3	144	134	3	3	33	31	180	168
P-2/1	46	51	0	0	19	19	65	70
Total	724	666	16	16	89	93	829	775
Field Service and General Service								
Field Service	55	46	0	0	1	1	56	47
Senior level	129	126	0	0	37	36	166	162
Other levels	258	185	0	0	83	81	341	266
Manual	6	8	0	0	2	2	8	10
Total	448	365	0	0	123	120	571	485
Local staff								
National Officers	369	396	0	0	40	40	409	436
Local staff	2 804	2 818	0	0	534	534	3 338	3 352
Total	3 173	3 214	0	0	574	574	3 747	3 788
Grand total	4 345	4 245	16	16	786	787	5 147	5 048

c/ Excludes PSDA/TCDC/INRES, PSDA/BPPE and Economist posts transferred to PSDA.

Table 9.(continued)

II. UNDP PSDA AND NON-CORE ACTIVITIES

Level	Established posts		Temporary posts: Budgetary		Temporary posts: Extrabudgetary		Total	
	1990-1991	1992-1993 d/	1990-1991	1992-1993	1990-1991	1992-1993	1990-1991	1992-1993 d/
Professional category and above								
Asst. Admin.	1	1	0	0	0	0	1	1
D-2	6	11	0	0	0	0	6	11
D-1	14	24	0	0	1	1	15	25
P-5	31	58	4	4	11	11	46	73
P-4	41	53	2	3	16	17	59	73
P-3	26	28	5	5	14	16	45	49
P-2/1	8	8	0	0	5	5	13	13
Total	127	183	11	12	47	50	185	245
Field Service and General Service								
Field Service	2	2	0	0	0	0	2	2
Senior level	33	36	1	1	13	13	47	50
Other levels	120	140	22	22	55	56	197	218
Total	155	178	23	23	68	69	246	270
Local staff								
UN Volunteers	60	60	0	0	0	0	60	60
National Officers	3	3	0	0	0	0	3	3
Local staff	68	68	0	0	1	1	69	69
Total	131	131	0	0	1	1	132	132
Grand total	413	492	34	35	116	120	563	647

d/ Includes PSDA/TCDC/INRES, PSDA/BPPE and PSDA/Economist posts, also includes 15 professional posts transferred from headquarters project-funded posts (see Chapter VI, table VI.4 and table VI.5 of the present volume).

Table 9. (continued)

III. GRAND TOTAL UNDP CORE AND NON-CORE RESOURCES

Level	Established posts		Temporary posts: Budgetary		Temporary posts: Extrabudgetary		Total	
	1990-1991	1992-1993 e/	1990-1991	1992-1993	1990-1991	1992-1993	1990-1991	1992-1993 e/
Professional category and above								
Administrator	1	1	0	0	0	0	1	1
Assoc. Admin.	1	1	0	0	0	0	1	1
Asst. Admin.	8	8	0	0	0	0	8	8
D-2	60	62	0	0	0	0	60	62
D-1	128	132	0	0	2	3	130	135
P-5	219	215	5	5	23	23	247	243
P-4	210	209	14	15	40	46	264	270
P-3	170	162	8	8	47	47	225	217
P-2/1	54	59	0	0	24	24	78	83
Total	851	849	27	28	136	143	1 014	1 020
Field Service and General Service								
Field Service	57	48	0	0	1	1	58	49
Senior level	162	162	1	1	50	49	213	212
Other levels	378	325	22	22	138	137	538	484
Manual	6	8	0	0	2	2	8	10
Total	603	543	23	23	191	189	817	755
Local staff								
UN Volunteers	60	60	0	0	0	0	60	60
National Officers	372	399	0	0	40	40	412	439
Local staff	2 872	2 886	0	0	535	535	3 407	3 421
Total	3 304	3 345	0	0	575	575	3 879	3 920
Grand total	4 758	4 737	50	51	902	907	5 710	5 695

e/ Includes 15 professional posts transferred from headquarters project-funded posts (see Chapter VI, table VI.4 and table VI.5 of the present volume).

Table 10 UNDP 1992-1993 estimates of staffing requirements by source of extrabudgetary financing

Support services	PROFESSIONAL STAFF							FIELD SERVICE AND GENERAL SERVICE STAFF					LOCALLY RECRUITED STAFF			GRAND TOTAL
	D-2	D-1	P-5	P-4	P-3	P-2/ P-1	TOTAL	FSL	SENIOR OTHER LEVEL	LEVEL	M	TOTAL	NO	LS	TOTAL	
I. SUPPORT SERVICES PROVIDED BY UNDP CORE ACTIVITIES TO UNDP NON-CORE ACTIVITIES, OTHER ORGANIZATIONS AND TRUST FUNDS																
A. Office of the Administrator																
Office of the Administrator		1				1	2			3		3			0	5
Planning and Co-ordination Office			1		1		2			1		1			0	3
Division of External Relations			1	1			2			2		2			0	4
Division of Personnel			2	7	5		14		5	14		19			0	33
Division for Audit and Management Review																
Subtotal I.A.	0	1	6	10	9	1	27	0	9	23	0	32	0	0	0	59
B. Bureau for Finance and Administration																
Office of the Assistant Administrator				2	5	4	11		9	8		17			0	28
Division of Finance				4	2	2	8			2		2			0	10
Division of Mgmt. Info. Services			2	1			3		4	10	2	16			0	19
Division for Administrative and Management Services																
Subtotal I.B.	0	0	2	7	7	6	22	0	13	20	2	35	0	0	0	57
C. Bureau for Resources and Special Activities																
Office of the Asst. Admin.		1			1		2		1	2		3			0	5
UNDP office at Geneva							0		1	1		2			0	2
Division of Information						1	1			1		1			0	2
Subtotal I.C.	0	1	0	0	1	1	3	0	2	4	0	6	0	0	0	9
D. Regional Bureaux																
Arab States and Europe				1			1								0	1
Latin America and the Caribbean				1	1		2								0	2
Subtotal I.D.	0	0	0	2	1	0	3	0	0	0	0	0	0	0	0	3
Total I.	0	2	8	19	18	8	55	0	24	47	2	73	0	0	0	128
II. PROGRAMME AND ADMINISTRATIVE SUPPORT RELATED TO FIELD OFFICE ACTIVITIES																
A. Field offices																
Africa					1	2	3	1				1	9	143	152	156
Arab States and Europe				5	6	1	12					0	6	140	146	158
Asia and the Pacific				1	1	1	3					0	7	76	83	86
Latin America and the Caribbean							0					0	18	175	193	193
Subtotal II.A.	0	0	0	6	8	4	18	1	0	0	0	1	40	534	574	593

/...

Table 10 (continued)

	PROFESSIONAL STAFF							FIELD SERVICE AND GENERAL SERVICE STAFF					LOCALLY RECRUITED STAFF			GRAND TOTAL
						P-2/			SENIOR	OTHER						
	D-2	D-1	P-5	P-4	P-3	P-1	TOTAL	FSL	LEVEL	LEVEL	M	TOTAL	NO	LS	TOTAL	
B. Headquarters																
1. Office of the Administrator																
Division for Audit and Management Review			1	1	1		3		1	1		2			0	5
Division of Personnel				1	1		2		3	5		8			0	10
Subtotal II.B.1.	0	0	1	2	2	0	5	0	4	6	0	10	0	0	0	15
2. Regional Bureaux																
Africa			1				1			3		3			0	4
Arab States and Regional					1	1	2			3		3			0	5
Asia and the Pacific			1	1		2	4		1	3		4			0	8
Latin America and the Caribbean				1	1	2	4			5		5			0	9
Division for Global and Interregional Programmes			1				1		1			1			0	2
Subtotal II.B.2.	0	0	3	2	2	5	12	0	2	14	0	16	0	0	0	28
3. Bureau for Finance and Administration																
Division of Finance						2	2		5	12		17			0	19
Division for Administrative and Management Services					1		1		1	2		3			0	4
Subtotal II.B.3.	0	0	0	0	1	2	3	0	6	14	0	20	0	0	0	23
Subtotal II.B.	0	0	4	4	5	7	20	0	12	34	0	46	0	0	0	66
Total II.	0	0	4	10	13	11	38	1	12	34	0	47	40	534	574	659
III. SUPPORT SERVICES PROVIDED BY UNDP NON-CORE FINANCED FROM EXTRABUDGETARY SOURCES																
A. OPS		1	10	12	11	4	38		13	45		58			0	96
B. IAPSO					4		4			3		3			0	7
C. UNRFNRE/UNFSTD			1				1			1		1			0	2
D. UNSO							0					0			0	0
1. Field				1	1		2					0		1	1	3
2. Headquarters				2		1	3			6		6			0	9
Subtotal III D	0	0	0	3	1	1	5	0	0	6	0	6	0	1	1	12
E. UNIFEM				2			2			1		1			0	3
Total III	0	1	11	17	16	5	50	0	13	56	0	69	0	1	1	120
Grand Total	0	3	23	46	47	24	143	1	49	137	2	189	40	535	575	907